



MVM LIFE SCIENCE PARTNERS LLP

MVM (GP) (No.2) Limited

Annual Report and Financial Statements

Registered Number 4400065

For the year ended 31 March 2015



MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Contents**

Directors and Officers	...	1
Directors' report	...	2 - 3
Independent Auditors' report	...	4 - 5
Profit and Loss Account	...	6
Balance Sheet	...	7
Notes to the financial statements	...	8 - 11

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Directors and Officers****Directors**

MVM Life Science Partners LLP

Mr N Akhurst

Registered office

6 Henrietta Street

London, WC2E 8PU

Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London, SE1 2RT

Bankers

NatWest Bank Plc

Castle Square Branch

Castle Square

Brighton, BN1 1DP

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Directors' Report****For the Year Ended 31 March 2015**

The directors present their report and the company's audited financial statements for the year ended 31 March 2015.

Principal activity and business review

The company retired as the General Partner of the MVM International Life Sciences No 1 Limited Partnership on 27 March 2015. The company became the managing member of MVM Life Science (GP) (No.2) LLP on 27 March 2015. The company anticipates that it will make further progress in the forthcoming year.

The result for the financial year amounted to £nil (2014: £nil).

Dividends

The directors do not recommend the payment of a dividend (2014: £nil).

Strategic Report

The company is entitled to the small company exemption from the requirement to prepare a strategic report and has elected to take this exemption.

Key Performance Indicators

Given the simple nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Directors

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

MVM Life Science Partners LLP
Mr N Akhurst

MVM Life Science Partners LLP owned all the share capital of the company at 31 March 2014 and 31 March 2015.

Registered Number

4400065

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Directors' Report (continued)****Disclosure of information to auditors**

Each of the persons who is a director at the date of this report confirms that:

- (a) so far as each of them is aware, there is no information relevant to the audit of the company's financial statements for the year ended 31 March 2015 of which the auditors are unaware; and
- (b) the director has taken all steps that he/she ought to have taken in his/her duty as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of the Directors' Responsibilities

The following statement sets out the responsibilities of the directors in relation to the financial statements of the company. The report of the auditors, shown on pages 4 to 5, sets out their responsibilities in relation to the financial statements.

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

On behalf of the Board:



Neil Akhurst
Director
20 May 2015

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015*****Independent auditors' report to the members of MVM (GP) (No.2) Limited*****Report on the financial statements**

Our opinion

In our opinion, MVM (GP) (No.2) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its result for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.
-

What we have audited

MVM (GP) (No.2) Limited's financial statements comprise:

- the Balance Sheet as at 31 March 2015;
- the Profit and Loss Account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. 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.

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015**

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of the Directors' Responsibilities set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Paul Koziarski (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 May 2015

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Profit and Loss Account for the year ended 31 March 2015**

Note		Year to 31.03.15 £	Year to 31.03.14 £
2	Turnover	-	361,324
3	Administrative expenses	-	(361,324)
	Operating result for the year	-	-
	Result on ordinary activities before taxation	-	-
	Tax on result on ordinary activities	-	-
	Result for the financial year	-	-

All results derive from continuing operations.

The company has no recognised gains and losses other than the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the result on ordinary activities before taxation and the result for the financial years stated above, and their historical cost equivalents.

The notes on pages 8 to 11 form an integral part of these financial statements.

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Balance Sheet as at 31 March 2015**

Note		As at 31.03.15 £	As at 31.03.14 £
	Current Assets		
6	Debtors	1,364	1,364
	Net current assets	1,364	1,364
	Net Assets	1,364	1,364
	Capital and reserves		
7	Called up share capital	1	1
11	Profit and loss account	1,363	1,363
8	Total shareholders' funds	1,364	1,364

The financial statements on pages 6 to 11 were approved by the Board of Directors and were signed on its behalf on 20 May 2015 by:



Neil Akhurst
Director

The notes on pages 8 to 11 form an integral part of these financial statements

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Notes to the financial statements
For the year ended 31 March 2015****1. Principal Accounting Policies**

These financial statements have been prepared in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently, is as follows:

Basis of Preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention.

Income

Income is management profit share or advances against management profit share from MVM International Life Sciences No 1 Limited Partnership and is accounted for on an accruals basis. Income arises from activities in the United Kingdom.

Operating expenses

Operating expenses are recognised on an accruals basis.

Advance in lieu of management profit share

The company is entitled to receive an interest free advance (the "GP's Entitlement") in lieu of management profit share from MVM International Life Sciences No 1 Limited Partnership (the "Fund"). In the event that the loan is not matched by management profit share from the Fund, the Fund does not have the right to receive repayment or any other recourse in respect of this loan. Loans in advance of the management profit share are therefore recognised as income in the profit and loss account as they fall due.

Cash flow statement

The company is exempt under FRS No 1 (Revised 1996) from the requirement to prepare a cash flow statement as it is classified as a small company under section 382 of the Companies Act 2006.

Limited Partnership

As at 31 March 2015, MVM (GP) (No.2) Limited was a member of MVM Life Science (GP) (No.2) LLP, which in turn was the general partner of a Limited Partnership Fund in which it does not have an economic interest. Investments held through the Limited Partnership Fund are made with the express intention of capital appreciation. The Limited Partnership Fund as well as certain investments held by the Limited Partnerships technically fall within the definition of Subsidiaries of MVM Life Science (GP) (No.2) LLP under the Companies Act 2006 and Financial Reporting Standard ("FRS") No. 2. There are severe long-term restrictions upon the ability of the General Partner to exercise control or dominant influence over the Limited Partnership Fund other than for the interests of the Limited Partners and as such, these entities are not consolidated.

MVM (GP) (No.2) Limited
Annual Report & Financial Statements for the year ended 31 March 2015
Notes to the financial statements
For the year ended 31 March 2015 (continued)
2. Turnover

	Year to 31.03.15 £	Year to 31.03.14 £
GP's Entitlement	-	361,324

3. Operating expenses

	Year to 31.03.15 £	Year to 31.03.14 £
Management fees	-	361,324

4. Directors and employees

The directors did not receive any emoluments in respect of their services to the company (2014: £nil). No remuneration was paid to the directors during the year ended 31 March 2015 apart from fees for fund management services of £nil (2014: £361,324). There were no employees of the company during the year (2014: nil).

5. Tax on result on ordinary activities

In the current and prior years there was no net profit chargeable to corporation tax and therefore no tax charge.

6. Debtors

	31.03.15 £	31.03.14 £
Amounts owed by group undertakings	1,364	1,364
	1,364	1,364

All amounts owed are interest free and repayable on demand.

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Notes to the financial statements****For the year ended 31 March 2015 (continued)****7. Called up share capital**

	31.03.15	31.03.14
	£	£
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid	1	1

8. Reconciliation of movements in shareholders' funds

	31.03.15	31.03.14
	£	£
Opening shareholders' funds	1,364	1,364
Result for the financial year	-	-
Closing shareholders' funds	1,364	1,364

9. Related party transactions

	Year to	Year to
	31.03.15	31.03.14
	£	£
Transactions in the year with related parties were as follows:		
Advances received from MVM International Life Sciences No 1 Limited Partnership in relation to the GP's Entitlement	-	363,305
Management fees paid to MVM Life Science Partners LLP	-	363,305
Balances outstanding at the end of the year were as follows:		
Amounts owed by MVM Life Science Partners LLP	1,364	1,364

10. Controlling party

MVM Life Science Partners LLP is the immediate and ultimate parent and controlling party of MVM (GP) (No.2) Limited. Copies of the annual financial statements of MVM Life Science Partners LLP can be obtained from the following correspondence address:

MVM Life Science Partners LLP
6 Henrietta Street
London WC2E 8PU

MVM (GP) (No.2) Limited**Annual Report & Financial Statements for the year ended 31 March 2015****Notes to the financial statements****For the year ended 31 March 2015 (continued)****11. Profit and loss account**

	2015	2014
	£	£
At 1 April	1,363	1,363
Result for the financial year	-	-
At 31 March	1,363	1,363

12. Auditors' remuneration

Fees payable to the company's auditors for the audit of the statutory financial statements amounted to £2,460 (2014: £2,400). The full cost of such fees was borne by MVM Life Science Partners LLP in both the current and prior years.