3i EFV GP Ltd

Annual report and accounts for the year to 31 March 2021

Registered number: 05840692

Contents

Directors' report

The Directors submit their report on 3i EFV GP Ltd (the "Company") with the financial statements for the year ended 31 March 2021.

Background and general information

The Company was established on 8 June 2006 and is domiciled in England as a company under the Companies Act 2006. The registered office of the Company is 16 Palace Street, London, SW1E 5JD.

Principal activity

The principal activity of the Company is to act as General Partner of private equity Limited Partnerships 3i Europartners Va LP and 3i Europartners Vb LP (the "Limited Partnerships"). The Company is responsible for appointing the Manager of the Partnership.

Development

There have been no changes in the activity of the Company in the year and the Directors do not foresee any future changes.

Results and dividends

The Limited Partnerships had stopped paying a priority profit share to the Company from 18 November 2018. As a result, the Company no longer generates income. Loss and total comprehensive income for the year after tax amounted to €238 (2020: €281).

No interim dividend was declared and paid during the year (2020: €150,000). The Directors do not recommend a final dividend for the year (2020: €nil).

Events after the balance sheet date

There were no material events subsequent to the balance sheet date.

Directors

The following served as Directors throughout the year and to the date of this report except where otherwise indicated:

Jasi Halai
Jonathan Charles Murphy
Kevin John Dunn
Ian Cooper
Clare Calderwood (appointed on 18 November 2020)

Directors' report (continued)

Going concern

The Directors have acknowledged their responsibilities in relation to the financial statements for the year to 31 March 2021. The Limited Partnerships which the company acts as General Partner for are not expected to be liquidated in the next 12 months. The company will be able to pay for expenses through cash resources held on the balance sheet. After making the assessment on going concern, the Directors considered it appropriate to prepare the financial statements of the Company on a going concern basis, having considered the impact of coronavirus ("COVID-19") on its current operations and future outlook.

The Company is in a net current asset position while 3i Group plc ("3i") as the ultimate parent undertaking of the Company has sufficient financial resources and liquidity and is well positioned to manage business risks in the current economic environment. 3i can support the Company where necessary to continue operations for a period of at least twelve months from the date of approval of this report.

Exemption from presenting a Strategic Report

The Directors have taken the exemption available under Section 414B of the Companies Act in not presenting a Strategic Report.

Disclosure of information to the auditor

Pursuant to section 418(2) of the Companies Act 2006, each of the Directors confirms that: (a) so far as they are aware, there is no relevant audit information of which the auditors are unaware; and (b) they have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of such information.

Auditor

KPMG LLP have been appointed as the auditor of the Company in accordance with section 487(2) of the Companies Act 2006. The Partnership's previous auditor Ernst and Young LLP confirmed there are no circumstances related to their resignation.

By Order of the Board

DocuSigned by:
Jasi Halai
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Jasi Halai
Director

Registered Office:
16 Palace Street
London
SW1E 5JD

Date: 14 July 2021

Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the company'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 company or to cease operations, or have no realistic alternative but to do so.

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 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 company and to prevent and detect fraud and other irregularities.

Auditor's report

Independent auditor's report to the members of 3i EFV GP Ltd

Opinion

We have audited the financial statements of 3i EFV GP Ltd (the "Company") for the year ended 31 March 2021 which comprise the Statement of comprehensive income, the Statement of changes in equity, the Statement of financial position, the Statement of cash flows and the related notes, including the accounting policies set out in notes A to H.

In our opinion the financial statements:

- give a true and fair view of the Company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company'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 Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' 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 Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

Auditor's report (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 the Directors, the 3i Group plc Audit and Compliance Committee, and 3i Group plc internal audit and inspection of policy documentation as to the Company's high-level policies and procedures, as applicable to the Company, to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board minutes.

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 our overall knowledge of the control environment, we performed 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 the calculation of revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post year end and closing journals

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 Directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

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

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and 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.

Secondly, the Company 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. We identified the following areas as those most likely to have such an effect: anti-bribery, data protection, anti-money laundering and certain aspects of Company legislation recognising the nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory 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.

Auditor's report (continued)

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.

Directors' report

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report 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 Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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, 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 take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Auditor's report (continued)

Directors' responsibilities

As explained more fully in the their statement 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; and 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 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 they either intend to liquidate the Company 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 Financial Reporting Council's website at https://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 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.

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Fang Fang Zhou (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

14 July 2021

Statement of comprehensive income

for the year to 31 March 2021

	Notes	2021 €	2020 €
Interest expense		(238)	(281)
Loss before tax		(238)	(281)
Income taxes	3	-	-
Loss and total comprehensive income for the year		(238)	(281)

All items in the above statement are derived from continuing operations.

Statement of changes in equity

for the year to 31 March 2021

	Notes	Issued capital €	Retained earnings €	Total equity €
Balance at 1 April 2019		1	189,513	189,514
Total comprehensive loss for the year		-	(281)	(281)
Dividend declared	4	-	(150,000)	(150,000)
Total equity at 31 March 2020		1	39,232	39,233
Balance at 1 April 2020		1	39,232	39,233
Total comprehensive loss for the year		-	(238)	(238)
Total equity at 31 March 2021		1	38,994	38,995

The accounting policies on pages 11 to 12 and the notes on pages 13 to 15 form an integral part of these financial statements.

Statement of financial position

as at 31 March 2021

	Notes	2021 €	2020 €
Assets			
Current assets			
Cash and cash equivalents		38,995	39,233
Total current assets		38,995	39,233
Total assets		38,995	39,233
Equity			
Issued capital	5	1	1
Retained earnings		38,994	39,232
Total equity		38,995	39,233

The accounting policies on pages 11 to 12 and the notes on pages 13 to 15 form an integral part of these financial statements.

The financial statements have been approved and authorised for issue by the Board of Directors.

DocuSigned by:

Jasi Halai

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Jasi Halai
Director

Date: 14 July 2021

Statements of cash flows

For the year to 31 March 2021

	Notes	2021 €	2020 €
Cash flow from operating activities			
Bank interest paid		(238)	(281)
Net cash flow from operating activities		(238)	(281)
Cash flow from financing activities			
Dividends paid	4	-	(150,000)
Net cash flow from financing activities		-	(150,000)
Net cash flow		(238)	(150,281)
Opening cash and cash equivalents		39,233	189,514
Closing cash and cash equivalents		38,995	39,233

The accounting policies on pages 11 to 12 and the notes on pages 13 to 15 form an integral part of these financial statements.

Accounting policies

A Statement of compliance These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

New standards and interpretations

The Company did not implement the requirements of any other standards or interpretations that were in issue; these were not required to be adopted by the Company for the year ended 31 March 2021. No other standards or interpretations have been issued that are expected to have a material impact on the Company's financial statements.

B Basis of preparation The principal accounting policies applied in the preparation of the Company accounts are disclosed below. These policies have been consistently applied and apply to all years presented.

As at 31 March 2021 COVID-19 continues to have a significant impact on the global economy and livelihoods; however the current outlook is encouraging, as vaccine programmes begin to have a positive effect. Progress, however, is dependent on the pandemic being controlled particularly in the face of potential new virus mutations against which existing vaccines may not be as effective.

The Directors continue to monitor the impact of COVID-19 using information available to the date of issue of these financial statements. The Directors have reviewed the assessment of going concern at the 3i level, which has modelled a number of adverse scenarios, to assess the potential impact COVID-19 may have on 3i's operations and liquidity. 3i has sufficient financial resources and liquidity and is well placed to manage business risks in the current economic environment and can continue operations to support the Company where necessary. The Limited Partnerships which the company acts as General Partner for are not expected to be liquidated in the next 12 months. The company will be able to pay for expenses through cash resources held on the balance sheet. Having reviewed this assessment and considered factors specifically impacting the Company, the Directors considered it appropriate to prepare these financial statements on a going concern basis.

The financial statements are presented in euros, the functional currency of the Company, being the currency in which it operates and generates revenue and incurs expenses.

C Significant accounting estimates and judgements The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most significant techniques for estimation are described in the accounting policies below.

Accounting policies (continued)

D Operating expenses Operating expenses are charged to the Statement of comprehensive income on an accruals basis.

E Offsetting financial assets and liabilities Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously. As at 31 March 2021 and 31 March 2020, no financial assets and liabilities are offset in the Statement of financial position.

F Cash and cash equivalents Cash and cash equivalents in the Statement of financial position comprise cash at bank.

G Income taxes Income taxes represent the sum of the tax currently payable, and deferred tax. Tax is charged or credited in the Statement of comprehensive income, except where it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity.

The tax currently payable is based on the taxable profit for the year. This may differ from the profit included in the Statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and laws that have been enacted or substantially enacted by the Statement of financial position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit ('temporary differences'), and is accounted for using the Statement of financial position liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised using tax rates and laws that have been enacted or substantively enacted by the Statement of financial position date.

H Dividends Dividends are recognised through the statement of changes in equity in the period in which they are approved and declared.

Notes to financial statements

1 Operating expenses

The auditor's remuneration for the year of €7,465 (2020: €5,087) was borne by 3i plc, a fellow subsidiary.

2 Directors' emoluments

The Directors of the Company are also Directors of fellow subsidiaries and receive remuneration from 3i plc. The table below shows the total emoluments received by the Directors from the fellow subsidiary.

	2021 €	2020 €
Salaries and benefits	1,441,072	1,327,985
Bonuses	765,914	627,389
Share based payments	930,028	1,284,405
	3,137,014	3,239,779

Emoluments, including share based payments, attributable to the highest paid Director were €1,442,695 (2020: €1,779,399).

The Directors do not receive any emoluments from the Company and do not believe it is practicable to apportion the above amounts to their services as Directors of the Company. The Directors' services to the Company do not occupy a significant amount of their time.

No Directors (2020: nil) of the Company accrued retirement benefits under the 3i Group Pension Plan, a defined benefit scheme.

The Company's contribution to pension schemes on behalf of Directors was €nil for the year to 31 March 2021 (2020: €nil).

3 Income taxes

	2021 €	2020 €
Current tax		
UK corporation tax	-	-
Deferred income taxes		
Origination and reversal of temporary differences	-	-
Adjustment for prior years	-	-
Total income taxes in the Statement of comprehensive income	-	-

3 Income taxes (continued)

Reconciliation of total income taxes in the Statement of comprehensive income

The tax charge for the year is different to the standard rate of corporation tax in the UK, currently 19% (2020: 19%), and the differences are explained below:

	2021 €	2020 €
Loss before tax	(238)	(281)
Loss before tax multiplied by rate of corporation tax in the UK of 19% (2020: 19%)	(45)	(53)
Effects of:		
Tax losses surrendered as group relief for nil consideration	45	53
Total income taxes in the Statement of comprehensive income	-	-

The Company has no deferred tax liability or deferred tax asset.

At 31 March 2021 3i EFV GP Ltd had tax losses carried forward of €6,182,169 (2020: €6,182,169) for which no deferred tax asset has been recognised. It is considered uncertain that there will be sufficient taxable profits in the future against which the associated deferred tax assets can be offset and therefore the assets have not been recognised.

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. This rate has been used to calculate the deferred tax assets and liabilities as at the year end, and will affect the future corporation tax liability of the Company.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%, which was substantively enacted on 24 May 2021. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. There would be €nil impact on the closing deferred tax liability or deferred tax expense for the period.

4 Dividends declared

	2021 €	2020 €
Declared and paid during the year	-	150,000
	-	150,000

5 Issued capital

	Authorised number of shares	Amount €
Allotted and called up ordinary shares of £1 each (€1.3786)	1	1
At 31 March 2021 and 31 March 2020	1	1

6 Parent undertaking and controlling party

The Company's immediate parent undertaking is 3i Holdings plc.

The Company's ultimate parent undertaking and controlling party is 3i which is incorporated in the United Kingdom and registered in England and Wales. Copies of its group financial statements, which include the Company, are available from 16 Palace Street, London, SW1E 5JD.

7 Related parties

During the year the Company entered into transactions, in the ordinary course of business, with related parties. Those transactions with Directors of the Company are disclosed in note 2. There are no other key management personnel.

8 Financial risk management

The Company is a subsidiary of 3i. 3i sets objectives, policies and processes for managing and monitoring risk as set out in the Directors' report in the 3i annual report. This note provides further information on the specific risks faced by the Company.

Capital management

The capital structure of the Company consists of equity. There is sufficient capital in the Company to cover liabilities and the Company is free to transfer capital to the parent company subject to maintaining sufficient reserves to meet statutory obligations. No significant constraints have been identified in the past.

Credit risk

The Directors do not believe that there is significant credit risk as the Company had no receivables as at 31 March 2021.

Liquidity risk

The Directors do not believe that there is significant liquidity risk as the Company had no trade and other payables as at 31 March 2021.

Market risk

The Directors do not believe that there is significant market risk as the Company does not hold fixed or floating rate loans or liabilities or investments which are exposed to market fluctuations.

Currency risk

The Directors do not believe that there is significant currency risk as in the year ended 2021 the exposure of the Company to foreign currencies was nil and is expected to remain nil in future years.

9 Events after the balance sheet date

There were no material events subsequent to the balance sheet date.

3i Europartners Va LP

Annual report and accounts for the year to 31 March 2021

Registered number: LP 011419

To be filed with accounts of 3i EFV GP Ltd: Company number 05840692

Contents

Strategic report

The Directors of 3i Investments plc, acting as former Manager and Liquidating Trustee (the "Manager") present their strategic report on 3i Europartners Va LP (the "Partnership") for the year ended 31 March 2021. The Manager and the Partnership are registered as Alternative Investment Fund Manager ("AIFM") and Alternative Investment Fund ("AIF") respectively, in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). The Partnership is regulated by AIFMD rules and regulations. Citibank Europe plc, UK branch continues to act as depositary for the Partnership.

Results and business review

The principal activity of the Partnership is to carry on the business of an investor in Buy-out deals across all regions in which 3i Group plc ("3i") invests worldwide.

The main key performance indicators are as follows:

	2021 €	2020 €
(Loss)/profit and Total comprehensive income for the year before carried interest expense	(5,660,165)	133,732,395
(Loss)/profit and Total comprehensive income for the year	(3,998,955)	88,173,340
Net assets attributable to Partners	17,394,925	21,393,880
Total attributable to Partners	21,081,943	26,742,108

The results for the year and financial position of the Partnership are as shown in the annexed financial statements on pages 11 and 13.

The financial year began against a backdrop of unprecedented uncertainty as the outbreak of COVID-19 intensified across the world. Since then, record levels of fiscal and monetary stimulus have been deployed by governments and central banks to support the public health measures put in place to mitigate the impacts of the pandemic and to protect economies and businesses. Following the initial sharp fall towards the end of March 2020, global markets have gradually rallied but remain susceptible to significant volatility as the situation develops. As at 31 March 2021 COVID-19 continues to have a significant impact on the global economy and livelihoods; however the current outlook is encouraging, as vaccine programmes begin to have a positive effect. Progress, however, is dependent on the pandemic being controlled particularly in the face of potential new virus mutations against which existing vaccines may not be as effective.

The Manager continues to operate with limited disruption to its day-to-day operations and has worked closely with portfolio management teams to support their respective contingency plans. Enhanced portfolio monitoring and reporting processes remain in place to identify any short-term liquidity or covenant test issues and other actions needed to support the portfolio company through this unprecedented period of uncertainty. The impact of COVID-19 on the longer-term plans of the portfolio company is subject to regular updates and assessments as part of this enhanced monitoring.

The Partnership's performance is dependent on cash flows derived from portfolio income, realisation of assets, and changes in the value of the investment portfolio. The Manager recognises the performance of the Partnership to be unfavourable due to the fall in the value of the investment of €6,126,599 offset by realised gains of €511,689.

Asset cash flows were derived from proceeds from investments of €410,798 and portfolio income of €83,390. The Partnership did not make any distributions to Partners in the year.

Future developments

The term of the Partnership expired on 15 November 2019 and the Manager has undertaken a resolution not to extend the Partnership. The Manager is now acting as the Liquidating Trustee and intends to liquidate the Partnership following realisation of the one remaining asset.

Strategic report (continued)

Risk management

The Manager evaluates the Partnership's risk appetite on a regular basis. The principal risks and uncertainties facing the Partnership are considered to be the following:

- Market price risk
- Currency risk
- Concentration risk
- Credit risk
- Liquidity risk
- Interest rate risk
- Capital management
- Operational impact of COVID-19

The Manager has established a risk and financial management framework whose primary objective is to protect the Partnership from events that hinder the achievement of the Partnership's performance objectives, being to generate attractive risk-adjusted returns to investors.

These objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a Partnership level. Details of the Partnership's associated risk policies are found in note 9.

For and on behalf of 3i Investments plc as former Manager and Liquidating Trustee

DocuSigned by:
Jasi Halai
0EA157743D8F41A.

Jasi Halai
Authorised Signatory

24 May 2021

Registered office:
16 Palace Street
London
SW1E 5JD

Members' report

The Directors of the Manager on behalf of the Members present the Members' report and the financial statements of the Partnership for the year ended 31 March 2021.

Background and general information

The Partnership was established on 29 June 2006 and is domiciled in England as an English Limited Partnership under the Limited Partnership Act 1907. The registered office of the Partnership is 16 Palace Street, London, SW1E 5JD. The General Partner of the Partnership is 3i EFV GP Ltd.

Activities and future prospects

The Partnership has been reported as a Qualifying Limited Partnership as defined under The Partnerships (Accounts) Regulations 2008.

The principal activity of the Partnership is to carry on the business of an investor in Buy-out deals across all regions in which 3i invests worldwide.

The Partnership is no longer investing other than in follow-on financing. The Manager will realise the Partnership's remaining asset in appropriate circumstances.

The term of the Partnership expired on 15 November 2019. The Manager is now acting as the Liquidating Trustee and intends to liquidate the Partnership following realisation of the one remaining asset.

Partners' interests

A summary of movements in Partners' accounts is given in the Statement of changes in Partners' accounts on page 12.

Manager

The Manager has responsibility for managing and operating the Partnership and for managing its investment portfolio. The Manager is authorised and regulated by the Financial Conduct Authority.

Going concern

The term of the Partnership ended in November 2019 per the Limited Partnership Agreement ("LPA"). The Manager is now acting as the Liquidating Trustee and intends to realise the Partnership's one remaining asset at a time when it will maximise Partner's returns. The Manager does not expect the sale of the Partnership's remaining asset to occur in the next 12 months and has held a cash balance which the Manager has forecast to be sufficient to meet expenses as they fall due for the next 4-5 years. As such, the Partnership has the resources and is expected to continue in operation for at least 12 months from the date of approval of these financial statements.

The Manager has also assessed the impact of COVID-19 throughout the year and established greater visibility on how the Partnership's portfolio company is navigating the challenges posed by the various government-imposed lockdowns and restrictions. Whilst the valuation of the asset within the Partnership's portfolio was impacted by the outbreak of COVID-19, the Partnership does not need to rely on the sale of its assets to meet its obligations when they fall due. Accordingly, the Manager believes that it is appropriate to prepare the financial statements on a going concern basis.

Events after the balance sheet date

The effects of COVID-19 remain uncertain subsequent to 31 March 2021 up to the date of sign off with the economic disruption continuing to impact the valuation of investments. Note 4 demonstrates the sensitivity of the investment valuations to a change in key inputs.

Disclosure of information to auditor

The Manager on behalf of the Members confirms that: (a) so far as it is aware, there is no relevant audit information of which the auditor is unaware; and (b) it has taken all steps it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of such information.

Members' report (continued)

Auditor

During the year, KPMG LLP was appointed as the auditor of the Partnership in accordance with clause 12.4 of the LPA *and chapter 2, section 485 of the Companies Act 2006.* The Partnership's previous auditor Ernst &Young LLP confirmed there are no circumstances related to their resignation.

For and on behalf of 3i Investments plc as former Manager and Liquidating Trustee

DocuSigned by:
Jasi Halai
0EA157743D8F41A

Jasi Halai
Authorised Signatory

24 May 2021

Registered office:
16 Palace Street
London
SW1E 5JD

Members' responsibilities statement

The Partnerships (Accounts) Regulations 2008 requires the Members to prepare financial statements for each financial year. The Members have appointed the Manager to prepare the Strategic report, Members' report and the financial statements.

The Manager is responsible for preparing the Strategic report, Members' report and the financial statements in accordance with applicable law and regulations.

The Manager has elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and Partnership (Accounts) Regulation 2008. Under law the Manager 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 the profit or loss of the Partnership for that period.

In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with international accounting standards in conformity with the requirements of the Companies Act 2006 and Partnership (Accounts) Regulation 2008, subject to any material departure disclosed and explained in the financial statements;
- assess the qualifying 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 qualifying partnership or to cease operations, or have no realistic alternative but to do so.

The Manager has been appointed by the Members to fulfil the below responsibilities of the Members.

The Manager is responsible for keeping adequate accounting records which 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 which enable the Manager to ensure that the financial statements comply with the Companies Act 2006 as applicable to Qualifying Limited Partnerships by The Partnerships (Accounts) Regulations 2008. The Manager is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Manager confirms that they have complied with the above requirements in preparing the financial statements.

Auditor's report

Independent auditor's report to the Members of 3i Europartners Va LP

Opinion

We have audited the financial statements of 3i Europartners Va LP (the "qualifying partnership") for the year ended 31 March 2021 which comprise the Statement of comprehensive income, the Statement of changes in Partners' accounts, the Statement of financial position, the Statement of cash flows and the related notes, including the accounting policies set out in notes A to O.

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 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern

The Members 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 Members' conclusions, we considered the inherent risks to the qualifying partnership's business model and analysed how those risks might affect the qualifying partnership's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Members' 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 Members' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the qualifying 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 qualifying partnership will continue in operation.

Auditor's report (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 the Members, the 3i Group plc Audit and Compliance Committee, and 3i Group plc internal audit and inspection of policy documentation as to 3i Group plc's high-level policies and procedures, as applicable to the qualifying partnership, to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading meeting minutes of those charged with governance.

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 our overall knowledge of the control environment, we performed 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 the calculation of revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We also identified a fraud risk related to the valuation of unquoted investments due to their highly judgemental nature and use of unobservable inputs in their calculation.

We performed procedures including:

- identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post year end and closing journals.
- assessing significant accounting estimates relating to valuation of unquoted investments for bias.

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 Members (as required by auditing standards), and discussed with the Members the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

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

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

Secondly, the qualifying 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. We identified the following areas as those most likely to have such an effect: anti-bribery, data protection, anti-money laundering and certain aspects of qualifying partnership legislation recognising the nature of the qualifying partnership's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory 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.

Auditor's report (continued)

Strategic report and Members' report

The Members are responsible for the Strategic report and the Members' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the Strategic report and the Members' report 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 those reports;
- in our opinion the information given in the Strategic report and the Members' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to qualifying partnerships we are required 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 Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in the Members' Responsibilities Statement set out on page 6, the Members 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 qualifying 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 qualifying 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 Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities.

Auditor's report (continued)

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

This report is made solely to the qualifying partnership's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by regulation 4 of the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the qualifying partnership'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 qualifying partnership and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Fangzhou
CBB3E1A0E2D144D

Fang Fang Zhou (Senior statutory auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

24 May 2021

Statement of comprehensive income

for the year ended 31 March 2021

	Notes	2021 €	2020 €
Portfolio income	1	83,390	429,663
Unrealised losses on the revaluation of investments	4	(6,126,599)	(3,322,150)
Realised profits over value on the disposal of investments	2	511,689	155,105,521
Gross investment return		(5,531,520)	152,213,034
Operating expenses	3	(89,554)	(254,491)
Net interest expense		(66,328)	(42,617)
Exchange movements		27,237	(659)
Withholding tax expense		-	(18,182,872)
(Loss) / Profit and Total comprehensive income for the year before carried interest expense		(5,660,165)	133,732,395
Carried interest recovery / (expense)	7	1,661,210	(45,559,055)
(Loss) / Profit and Total comprehensive income for the year		(3,998,955)	88,173,340

All items in the above statement are derived from continuing operations. No operations were acquired or discontinued in the year.

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Statement of changes in Partners' accounts

for the year ended 31 March 2021

	Capital Contributions	Loan account	Profit and loss account	Total
	€	€	€	€
Opening balance of Partners' accounts	1,316	-	21,392,564	21,393,880
Drawdowns from Partners	-	-	-	-
Distributions to Partners	-	-	-	-
	1,316	-	21,392,564	21,393,880
Loss and Total comprehensive income for the year	-	-	(3,998,955)	(3,998,955)
Closing balance of Partners' accounts	1,316	-	17,393,609	17,394,925

for the year ended 31 March 2020

	Capital Contributions	Loan account	Profit and loss account	Total
	€	€	€	€
Opening balance of Partners' accounts	1,316	-	838,941,990	838,943,306
Drawdowns from Partners	-	8,423,200	-	8,423,200
Distributions to Partners	-	(8,423,200)	(905,722,766)	(914,145,966)
	1,316	-	(66,780,776)	(66,779,460)
Profit and Total comprehensive income for the year	-	-	88,173,340	88,173,340
Closing balance of Partners' accounts	1,316	-	21,392,564	21,393,880

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Statement of financial position

as at 31 March 2021

	Notes	2021 €	2020 €
Assets			
Non-current assets			
Investments	4		
- Unquoted investments		8,464,774	14,559,059
Total non-current assets		8,464,774	14,559,059
Current assets			
Cash and cash equivalents		12,434,085	12,120,198
Receivables	5	222,203	222,203
Total current assets		12,656,288	12,342,401
Total assets		21,121,062	26,901,460
Liabilities			
Non-current liabilities			
Carried interest payable	7	(3,687,018)	(5,348,228)
Total non-current liabilities		(3,687,018)	(5,348,228)
Current liabilities			
Payables	6	(39,119)	(159,352)
Total current liabilities		(39,119)	(159,352)
Total liabilities		(3,726,137)	(5,507,580)
Net assets attributable to Partners		17,394,925	21,393,880
Represented by:			
Capital contributions		1,316	1,316
Loan account		-	-
Profit and loss accounts		17,393,609	21,392,564
Net assets attributable to Partners		17,394,925	21,393,880
Carried interest allocation		3,687,018	5,348,228
Total attributable to Partners		21,081,943	26,742,108

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

The financial statements have been approved and authorised for issue by former Manager and Liquidating Trustee.

For and on behalf of 3i Investments plc as former Manager and Liquidating Trustee

DocuSigned by:
Jasi Halai
0EA157743D8F41A

Jasi Halai
Authorised Signatory

24 May 2021

Statement of cash flows

for the year ended 31 March 2021

	Notes	2021 €	2020 €
Cash flow from operating activities			
Purchase of investments	4	(32,314)	-
Proceeds from investments	2	511,689	1,294,013,173
Divestment cost		(100,891)	-
Portfolio income received		83,390	429,663
Bank interest received		-	185
Bank interest paid		(66,328)	(42,802)
Operating expenses paid		(108,896)	(256,186)
Carried interest paid	7	-	(379,944,860)
Net cash flow from operating activities		286,650	914,199,173
Cash flow from financing activities			
Drawdowns		-	8,423,200
Distributions paid		-	(914,145,966)
Net cash flow from financing activities		-	(905,722,766)
Change in cash and cash equivalents		286,650	8,476,407
Cash and cash equivalents at the start of the year		12,120,198	3,644,451
Effect of exchange rate fluctuations		27,237	(660)
Cash and cash equivalents at the end of the year		12,434,085	12,120,198

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Accounting policies

A Statement of compliance These financial statements have been prepared in accordance with *international accounting standards in conformity with the requirements of the* Companies Act 2006 and Partnership (Accounts) Regulation 2008.

The Partnership is a registered AIF in accordance with the AIFMD and is regulated by AIFMD rules and regulations.

New standards and interpretations

The Partnership did not implement the requirements of any other standards or interpretations that were in issue; these were not required to be adopted by the Partnership for the year ended 31 March 2021. No other standards or interpretations have been issued that are expected to have a material impact on the Partnership's financial statements.

B Basis of preparation The principal accounting policies applied in the preparation of the Partnership accounts are disclosed below. These policies have been consistently applied and apply to all years presented.

The term of the Partnership ended in November 2019 per the LPA. The Manager is now acting as the Liquidating Trustee and intends to realise the Partnership's one remaining asset at a time when it will maximise Partner's returns. The Manager does not expect the sale of the Partnership's remaining asset to occur in the next 12 months and has held a cash balance which the Manager has forecast to be sufficient to meet expenses as they fall due for the next 4-5 years. As such, the Partnership has the resources and is expected to continue in operation for at least 12 months from the date of approval of these financial statements.

The Manager has also assessed the impact of COVID-19 throughout the year and established greater visibility on how the Partnership's portfolio company is navigating the challenges posed by the various government-imposed lockdowns and restrictions. Whilst the valuation of the asset within the Partnership's portfolio was impacted by the outbreak of COVID-19, the Partnership does not need to rely on the sale of its assets to meet its obligations when they fall due. Accordingly, the Manager believes that it is appropriate to prepare the financial statements on a going concern basis.

The financial statements have been prepared on a going concern basis and are presented in euros, the functional currency of the Partnership, being the currency in which Partners' capital commitments, drawdowns and distributions are denominated.

C Significant accounting estimates and judgements The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most significant techniques for estimation are described in the accounting policies below.

The most significant estimates for the Partnership relate to the fair valuation of the investments and carried interest payable. The valuation methodologies for investments are disclosed in accounting policies E and discussed in notes 4. The methodology for carried interest is disclosed in accounting policy O.

Carried interest payable is calculated based on the underlying agreements, and assuming all portfolio investments are sold at their fair values at the balance sheet date. The actual amounts of carried interest received and paid will depend on the cash realisations of these portfolio investments and valuations may change significantly in the next financial year. The fair valuation of the investment portfolio is itself a significant accounting estimate, as detailed above. The sensitivity of carried interest to movements in the investment portfolio is disclosed in note 7.

The Manager has concluded that the Partnership continues to meet the definition of an investment entity as its strategic objectives of investing in portfolio investments; providing investment management services to investors for the purpose of generating returns in the form of investment income and capital appreciation; and measuring and evaluating the performance of substantially all of its investments on a fair value basis remain unchanged.

Accounting policies (continued)

D Foreign currency transactions Monetary assets and liabilities denominated in foreign currencies are translated into euros at the closing rates of exchange at the balance sheet date. Foreign currency transactions are translated into euros at the rate of exchange at the date of the transaction and exchange differences arising on settlement or translation of monetary items are taken to the Statement of comprehensive income.

E Investments Investments represent equity and loan instruments which are managed on a fair value basis. Investments are recognised and de-recognised on their trade date where the purchase or sale of an investment is under a contract, the terms of which require the delivery or settlement of the investment.

Investments are classified as fair value through profit and loss or are initially recognised at the fair value of the consideration given. Quoted investments are subsequently measured at fair value using the closing bid price at the reporting date where the investment is quoted on an active stock market. Unquoted investments, including both equity and loans, are subsequently measured at fair value in accordance with the International Private Equity and Venture Capital ("IPEV") valuation guidelines with reference to the most appropriate information available at the time of measurement.

Interest-bearing loans accrue interest which is either settled in cash or capitalised on a regular basis and included as part of the principal loan balance. The capitalisation of accrued interest is treated as part of investment additions during the year. If the fair value of an investment is assessed to be below the principal value of the loan, the Partnership recognises a fair value reduction against any interest income accrued from the date of the assessment going forward. "Capitalisation at nil value" is the term used to describe the capitalisation of accrued interest which has been fully provided for. These transactions are disclosed as additions to portfolio cost with an equal reduction in portfolio value. If the fair value of such an investment is subsequently assessed to be above the fair value of the loan, the interest provision is reversed, with the amount disclosed as an unrealised gain on the revaluation of an investment, converted into euros using the exchange rates in force at the revaluation date. Any foreign exchange differences arising between the recognition and reversal of the provision are shown as foreign exchange in note 1.

Loans and equity are valued together to derive the fair value of the asset, where loan and equity instruments are in the same investment and are invested and disposed of at the same time, and cannot be traded separately. To arrive at the fair value of the unquoted equity and loan instruments, the entire fair value of the asset is estimated. The value is then distributed amongst the different loan, equity and other financial instruments accordingly.

F Revenue recognition The revenue recognised by the Partnership is investment income, analysed into the following components:

I. Realised profits or losses over value on the disposal of investments are the difference between the fair value of the proceeds received gross of withholding taxes less any directly attributable costs, on the sale of equity and the repayment of loans and receivables, and its carrying value at the start of the accounting period.

II. Unrealised profits or losses on the revaluation of investments are the movement in the carrying value of investments between the start and end of the accounting period.

III. Portfolio income is income that is directly related to the return from individual investments. It is recognised to the extent that it is probable that there will be economic benefit and the income can be reliably measured.

   - Income from loans that is recognised as it accrues by reference to the principal outstanding and the interest rate applicable and is only recognised to the extent that it is deemed recoverable.
   - Transaction fees are recognised to the extent not already offset against priority profit share.

G Operating expenses All operating expenses incurred in relation to the management and administration of the Partnership in accordance with the LPA are charged to the Statement of comprehensive income on an accruals basis.

I Offsetting financial assets and liabilities Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously. As at 31 March 2021 and 31 March 2020, no financial assets and liabilities are offset in the Statement of financial position.

J Cash and cash equivalents Cash and cash equivalents in the Statement of financial position comprise cash at bank and short term deposits held at call with financial institutions.

Accounting policies (continued)

K Distributions All capital and income receipts are distributed among the Partners based on allocations made in accordance with the LPA and at the discretion of the Manager. Distributions to Partners are accounted for as a deduction to the loan account until the balance is repaid and then as a deduction to the profit and loss accounts. A distribution is recognised in the year when a distribution notice is issued by the Manager.

L Capital contributions and loan account Capital contributions and loan account are classified as a financial liability. Partners have committed amounts to the Partnership in accordance with the LPA. These commitments will be satisfied through the contribution of capital and loan subscription amounts when admitted to the Partnership. The amounts and the timings of calls for capital contribution and loan commitments from the Limited Partners are at the discretion of the General Partner. Capital contributions and loan account are carried at amortised cost.

M Receivables Assets, other than those specifically accounted for under a separate policy, are stated at their cost less impairment. Assets are reviewed for recoverability and impairment using the expected credit loss model simplified approach. The Partnership will recognise the asset's lifetime expected credit losses at each reporting period where applicable in the Statement of comprehensive income.

N Payables Liabilities, other than those specifically accounted for under a separate policy, are stated based on the amounts which are considered to be payable in respect of goods or services received up to the Statement of financial position date.

O Carried interest In accordance with the LPA, the Founder Partner is entitled to receive a share of the realised profits of the Partnership. The Founder Partner will receive its share of the profits after the performance conditions described in the LPA have been met and the outstanding participation for all Partners, including the General Partner, has been repaid. Carried interest is accrued at the balance sheet date where the calculation indicates that the performance conditions would have been achieved and distribution arrangements met were the underlying investments realised at their fair values, taking into account distributions paid to date. An accrual is made equal to the Founder Partner's share of profits in excess of the performance conditions, discounted to reflect the likely actual cash payment date, which may be materially later than the time of the accrual.

An increase or decrease in the carried interest due to the Founder Partner during the year is included as carried interest expense in the Statement of comprehensive income. A recovery of previously accrued carried interest results from a decrease in carried interest due to the Founder Partner, at the reporting date.

Notes to the financial statements

1 Portfolio income

	2021 €	2020 €
Transaction fees	83,390	429,663
	83,390	429,663

2 Realised profits over value on the disposal of investments

	Unquoted Investments €	2021 Total €
Proceeds from investments gross of withholding tax	511,689	511,689
Opening carrying value of disposed investments	-	-
	511,689	511,689

	Unquoted Investments €	2020 Total €
Proceeds from investments gross of withholding tax	1,312,095,154	1,312,095,154
Opening carrying value of disposed investments	(1,156,989,633)	(1,156,989,633)
	155,105,521	155,105,521

3 Operating expenses

	2021 €	2020 €
Audit fees	16,191	13,588
Bank charges	457	10
Administration expenses	28,283	27,098
Tax compliance	18,540	12,956
Annual investor meeting and Advisory Board expenses	905	84,536
Portfolio company related costs	29,018	1,516
AIFMD depositary	(18,892)	94,332
Fund reporting	15,052	20,455
	89,554	254,491

4 Investments

The fair value of unquoted investments comprises of loan instruments of €8,464,774 (2020: €14,559,059).

The holding period of the Partnership's investments is on average greater than one year. For this reason the investments are classified as non-current. It is not possible to identify with certainty that investments will be sold within one year.

Fair value hierarchy

The Partnership classifies financial instruments measured at fair value in the investments according to the following hierarchy:

Level	Fair value input description	Financial instruments
Level 1	Quoted prices (unadjusted) from active markets	No Level 1 financial instruments
Level 2	Inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)	No Level 2 financial instruments
Level 3	Inputs that are not based on observable market data	Unquoted equity instruments and loan instruments

The Partnership's investments in equity and loan instruments are classified by the fair value hierarchy as follows:

	2021 Level 1 €	2021 Level 2 €	2021 Level 3 €	2021 Total €
Unquoted investments	-	-	8,464,774	8,464,774
	-	-	8,464,774	8,464,774

	2020 Level 1 €	2020 Level 2 €	2020 Level 3 €	2020 Total €
Unquoted investments	-	-	14,559,059	14,559,059
	-	-	14,559,059	14,559,059

As at 31 March 2021 and 31 March 2020, the Partnership did not hold any Level 1 or Level 2 investments.

Investments are reviewed at each year end to ensure that they are correctly classified between Level 1, 2 and 3, in accordance with the fair value hierarchy authorised above. When an investment's characteristics change during the financial period and investments no longer meet the criteria of a given level, they are transferred into a more appropriate level at the beginning of the relevant financial reporting period. There were no transfers in or out of Level 3 in the year (2020: nil).

4 Investments (continued)

Level 3 fair value reconciliation

	2021	2020
	€	€
Opening fair value	14,559,059	1,174,870,842
Additions – cash	32,314	-
Additions – interest	1,002,752	972,429
– Of which capitalised at nil value	(1,002,752)	(972,429)
Disposals, repayments and write-offs	-	(1,156,989,633)
Fair value movement	(6,126,599)	(3,322,150)
Closing fair value	8,464,774	14,559,059

A net loss of €5,531,520 (2020: profit of €152,213,034) was recorded in the Statement of comprehensive income as portfolio income, unrealised losses on the revaluation of investments and realised profits over value from the disposal of investments from Level 3 assets.

The fair values of all other assets and liabilities approximate their carrying amounts in the Statement of financial position.

Level 3 inputs are sensitive to assumptions made when ascertaining fair value as described in accounting policy E. The following table summarises the various valuation methodologies used by the Manager to fair value Level 3 instruments, the inputs and the sensitivities applied and the impact of those sensitives to the unobservable inputs. The Partnership has maintained a 5% sensitivity which is underpinned by the resilient performance of its portfolio investments.

Level 3 unquoted investments

Methodology	Description	Inputs	Fair value at 31 March €m	Sensitivity on key unobservable input	Fair value impact of sensitivities €m
Discounted cash flow	Appropriate for businesses with long-term stable cash flows, typically in Infrastructure or alternatively businesses where DCF is more appropriate in the short term	Long-term cash flows are discounted at a rate which is benchmarked against market data, where possible, or adjusted from the rate at the initial investment based on changes in the risk profile of the investment.	8.5 (2020: 14.6)	+5% -5% For the assets valued on a DCF basis, the Manager has applied a 5% sensitivity to the discount rate.	(0.7) (2020: (1.0)) 1.1 (2020: 1.1)

5 Receivables

	2021	2020
	€	€
Other receivables	222,203	222,203
	222,203	222,203

6 Payables

	2021	2020
	€	€
Accrued expenses	39,119	58,461
Other payables	-	100,891
	39,119	159,352

7 Carried interest payable

	2021	2020
	€	€
Opening carried interest payable	5,348,228	339,734,033
Carried interest (recoverable)/payable recognised in the Statement of comprehensive income during the year	(1,661,210)	45,559,055
Cash paid in the year	-	(379,944,860)
	3,687,018	5,348,228
Of which: payable is greater than 1 year	3,687,018	5,348,228

Carried interest payable at the balance sheet date is discounted to reflect the likely cash payment date, which may be materially later than the time of the accrual. If the carried interest payable were not discounted, the accrual at the balance sheet date would be higher at €4,216,439 (31 March 2020: €5,348,228).

A 5% increase in the valuation of all individual assets in the underlying investment portfolio would result in a €73,978 increase in carried interest payable (31 March 2020: €145,591).

A 5% decrease in the valuation of all of individual assets in the underlying investment portfolio would result in a €73,978 decrease in carried interest payable (31 March 2020: €145,951).

8 Taxation

No provision for taxation has been made as the Partnership has no liability to taxation. Any taxation arising on the income and gains of the Partnership is payable by the individual Partners. Any withholding tax incurred by the Partnership is charged to the Statement of comprehensive income.

9 Financial instruments and associated risks

The Partnership is subject to market price risk, currency risk, concentration risk, credit risk, liquidity risk, interest rate risk, capital management risk and operational impact of COVID-19.

Market price risk

Market risk is the potential for changes in value due to the performance of underlying investments.

The Partnership's investment is susceptible to market price risk arising from uncertainties about future market conditions within which the investment operates. The Partnership's market risk is regularly managed by the Manager.

The Partnership's management of price risk, which arises primarily from unquoted loan instruments, is through the careful consideration of the investment, asset management and divestment decisions by the Manager. The Partnership's sensitivity to price risk is analysed in note 4.

Towards the end of the financial year market price risk impacted the valuations of the Partnership's investment due to increased volatility within equity markets caused by the global economic impact of COVID-19. This is further discussed within note 4.

Currency risk

A significant exposure to currency risk is due to fluctuations in foreign currency translation. At 31 March 2021, the Partnership was exposed to currency risk relating to EUR/GBP, EUR/SEK and EUR/USD. At 31 March 2021, had EUR strengthened / weakened by 5%, 10% or 15% in relation to these currencies, with all other variables held constant, net assets attributable to Partners would have decreased / increased respectively by the amounts shown in the following table.

	5%	10%	15%
As at 31 March 2021	**€**	**€**	**€**
GBP	20,170	38,506	55,248
SEK	2	3	5
USD	1,316	2,513	3,605
	21,488	41,022	58,858
As at 31 March 2020	**€**	**€**	**€**
GBP	(1,923)	(3,672)	(5,268)
SEK	2	3	4
USD	410	783	1,123
	(1,511)	(2,886)	(4,141)

In addition to this, the table below sets out the Partnership's exposure to foreign currency exchange rates with regard to the Partnership's assets and liabilities at the year end. The Partnership's total assets were €21,121,062 (2020: €26,901,460) and the total liabilities including accrual for carried interest were €3,726,137 (2020: €5,507,580).

% of total Partnership assets	**2021**	**2020**
GBP	2.1%	-
USD	0.1%	-
	2.2%	

% of total Partnership liabilities	**2021**	**2020**
GBP	0.7%	0.8%
	0.7%	0.8%

2021: 99.3% (2020: 99.2%) of the Partnership's liabilities were denominated in euros.

9 Financial instruments and associated risks (continued)

Concentration risk

The Manager seeks to diversify risk through significant dispersion of investments by geography, economic sector and size as well as through the maturity profile of its investment portfolio.

The Partnership participates in one portfolio investment. The aggregate return of the Partnership may be materially and adversely affected by the unfavourable performance of Christ. This investment is concentrated in the jewellery distribution industry and thus the Partnership's performance will be closely linked to the performance of this industry and the Partnership could be severely impacted by adverse developments affecting this industry.

Credit risk

Credit risk is the potential that an issuer, counterparty or underlying investment third party will be unable to meet commitments that it has entered into with the Partnership and/or the commitments with underlying investments of the Partnership.

Credit risk in relation to the debt element of the Partnership's investments is considered and monitored as part of the valuation process described in note 4. The credit quality of loans and receivables within the investments is based on the financial performance of the individual portfolio companies. For those assets that are not past due it is believed that the risk of default is small and that capital repayments and interest payments will be made in accordance with the agreed terms and conditions of the Partnership's investment. Where the portfolio company has failed or is expected to fail in the next 12 months, the increase in credit risk is included within the overall assessment of the fair value of the investment.

At the balance sheet date, there are no balances which were past due or impaired. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

Liquidity risk

The Partnership's liquidity risk is the risk that the Partnership will encounter difficulties raising liquid funds to meet commitments as they fall due. The Manager is responsible for determining the level of liquid funds to be held by the Partnership. A prudent liquidity risk management approach is adopted to ensure sufficient cash is available for both operational expenses and investments through capital calls from Partners and the retention of proceeds from investments. As at 31 March 2021, the Partnership has no undrawn commitments (2020: €21,815,563) which is callable by the Manager in accordance with the LPA. The last drawdown was made to ensure that the Partnership has adequate resources during the liquidation phase to fund any potential future follow-on investments (both for the remaining portfolio company and in respect of exited portfolio companies where contingent liabilities remain) as well as the Partnerships' ongoing liquidation and administration costs as long as the Partnership is in liquidation, which could potentially be for 4-5 years given the current anticipated conclusion of certain claims. A number of former portfolio investments, although exited have a small number of claims outstanding, which are being challenged but which are anticipated to take some time to resolve. In several of these, the relevant companies have already been liquidated. None of these claims is expected to be successful and accordingly no provision has been made in the Partnerships accounts for any potential liability.

The Partnership's investments are subject to liquidity risk in the normal course of business. As at 31 March 2021, the Partnership held €8,464,774 (2020: €14,559,059) in investments that it considered to be illiquid. The Manager manages this risk by ensuring that sufficient funds exist to meet outstanding commitments, other liabilities incurred by the operating activities of the Partnership and short term liquidity needs, as they fall due.

Liabilities arising from Carried interest payable will only crystallise if and when the performance conditions are met, and will only be paid once proceeds are received on the sale of investment or cash distribution from underlying assets, which ensures that sufficient assets will be available to meet them when they fall due (see accounting policy O).

9 Financial instruments and associated risks (continued)

Liquidity risk (continued)

The following table analyses the Partnership's liabilities into relevant maturity groupings based on the remaining period at the Statement of financial position date. The amounts in the tables are the contractual undiscounted cash flows.

As at 31 March 2021	Liabilities less than 1 year €	Liabilities between 1 - 5 years €	Liabilities more than 5 years €	Total €
Other payables and accrued expenses	39,119	-	-	39,119
	39,119	-	-	39,119
As at 31 March 2020				
Other payables and accrued expenses	159,352	-	-	159,352
	159,352	-	-	159,352

Carried interest payable greater than one year of €3,687,018 (31 March 2020: €5,348,228) has no stated maturity as carried interest results from investment related transactions and it is not possible to identify with certainty the timing of when the investment will be sold. The Partnership has no other liabilities to analyse into relevant maturity groupings.

Interest rate risk

The Partnership has no significant direct exposure to interest rate risk as its investments in debt instruments are in fixed rate loans.

Capital Management

The capital of the Partnership is considered to be the capital contributions, loan accounts and profit and loss accounts, which totalled €17,394,925 (2020: €21,393,880) at the reporting date. There are no externally imposed capital requirements on the Partnership. To maintain or adjust the capital structure, the General Partner may request additional contributions from the Partners in the form of drawdowns for operating expense or investment purposes and distribute capital back to the Partners on the sale of investments and receipt of income yield. No changes were made in the Partnership's objectives, policies or processes for the management of capital during the year ended 31 March 2021.

Operational impact of COVID-19

COVID-19 presents the biggest risk to the global economy since the 2008 financial crisis and has led to severe reductions in economic growth forecasts worldwide. Clearly not all industries will see impacts to the same degree; however, the effects will be felt in a number of areas across the Manager, 3i, and the Partnership's portfolio company.

COVID-19 has emphasised the importance of the Manager and the portfolio company's focus on keeping employees safe, motivated and able to fulfil their roles effectively. New methods of working introduced in the wake of the COVID-19 outbreak have reshaped the work environment and the ways in which people interact and communicate. The Manager continues to review this situation based on the latest information available. Particular effort has been made to keep all staff informed and engaged through regular updates from management and team leaders. The Manager has taken the following steps in particular to address the impact on people and any risks that the changing work environment may present:

- The successful implementation of the business continuity plans;
- Restrictions on international business travel to limit potential risk to staff;
- The implementation of a work-from-home policy for the UK and all international offices, facilitated through the use of remote login and video and audio conferencing;
- The provision of mental health and wellbeing advice and guidance to staff; and
- The provision of streamed fitness classes.

9 Financial instruments and associated risks (continued)

Operational impact of COVID-19 (continued)

Members of the Manager's deal teams are working closely with our portfolio company in order to manage the range of operational issues and problems that have arisen, aided by the close relationships built between the Manager and the underlying management team. The impact from COVID-19 on the portfolio company is also closely monitored to analyse performance and future forecasts. Managing the stability and digital risk of an organisation's technology environment has become a key priority as firms seek to accomplish social distancing whilst maintaining normal everyday operations. Close monitoring of the performance of the Managers systems is ensuring their effective continuity. The Manager's IT system has performed strongly against these new demands with the continuation of high quality IT Service Desk support and the provision of accessible and effective video and audio teleconferencing software for all staff. Cybersecurity remains of paramount concern and monitoring of the risk to the Partnership and its portfolio company continues, particularly in light of the recent surge in cyber-attacks such as COVID-19 related phishing attempts.

10 Related parties

During the year the Partnership entered into transactions, in the ordinary course of business, with certain related parties. Each category of related party and its impact on the financial statements is detailed below.

Carried interest

The Partnership pays carried interest to the Founder Partner when certain conditions relating to the performance of the Partnership are met. The amounts recognised in the Statement of comprehensive income for the year ended 31 March 2021 and in the Statement of financial position as at 31 March 2021 are set out in note 7.

General Partner

The Partnership pays a priority profit share to the General Partner. During the investment period, the General Partner is entitled to receive a priority profit share equal to 1.75% of the acquisition cost of investments, reduced to the extent that the General Partner or any respective related party is in receipt of any fees related to the Partnership's activities. After the investment period expiry date, the priority profit share is equal to 1.25% of the aggregate acquisition cost of investments as determined at the investment period expiry date, reduced by the acquisition cost of investments that have been realised or permanently written off at the beginning of the relevant accounting period. The Partnership had stopped paying priority profit share after 15 November 2018, being the twelfth anniversary of the Partnership's final closing date.

The General Partner is a related party of the Partnership, being responsible for the financial and operating decisions of the Partnership. The General Partner is a wholly owned subsidiary of 3i Holdings plc, a subsidiary of 3i.

Management, administrative and secretarial arrangements

During the year a number of costs were recharged between the Partnership and 3i plc, a subsidiary of 3i, in accordance with the LPA, in relation to operational and investment expenses.

	2021	2020
Statement of comprehensive income	**€**	**€**
Recharged costs	92,055	160,149
Statement of financial position		
Accrued at the end of the year	26,438	140,460

10 Related parties (continued)

Related undertakings

The Partnership makes investments in the equity of unquoted and quoted investments where it does not have control but may be able to participate in the financial and operating policies of that company. It is presumed that it is possible to exert significant influence when the equity holding is greater than or equal to 20%. The total amounts included for investments where the Partnership has significant influence but not control are as follows:

	2021	2020
Statement of comprehensive income	**€**	**€**
Portfolio income	83,390	50,034
Unrealised losses on the revaluation of investments	(6,126,599)	(3,322,150)
Realised profits over value on the disposal of investments	511,689	-
Statement of financial position		
Unquoted investments	8,464,774	14,559,059

11 Related undertakings

The Companies Act 2006 as applicable to Qualifying Limited Partnerships by The Partnerships (Accounts) Regulations 2008 requires disclosure of certain information about the Partnership's related undertakings and this is set out below. Related undertakings are subsidiaries, joint ventures, associates and other significant holdings. In this context, significant means a shareholding greater than or equal to 20% of the nominal value of any class of shares.

The Partnership's related undertakings at 31 March 2021 are listed below.

Associates

Description	Holding / share class	Address	Country of incorporation or residence	Principal activity
Chrysanthes 1 Sarl	23.64% of Ordinary shares	9 rue Sainte Zithe, L-2763 Luxembourg	Luxembourg	Investment holding vehicle

The Partnership has no interest in any subsidiaries or joint ventures.

12 Controlling party

The Partnership has no ultimate controlling party.

13 Events after the balance sheet date

The effects of COVID-19 remain uncertain subsequent to 31 March 2021 up to the date of sign off with the economic disruption continuing to impact the valuation of investments. Note 4 demonstrates the sensitivity of the investment valuations to a change in key inputs.

AIF remuneration disclosure (unaudited)

- For the purposes of the FUND Disclosures set out in FUND 3.3.5(R) (5) and (6), the total amount of remuneration paid by AIFM to its staff for the year to 31 March 2021 was £163 million, of which £42 million was fixed remuneration and £121 million was variable remuneration. Total number of beneficiaries is 235.

- The aggregate total remuneration paid to AIFM Identified Staff for the year to 31 March 2021 was £40 million, of which £35 million was paid to Senior Management and £5 million was paid to other AIFM Identified Staff.

- Time allocations to individual AIFs are not recorded either for staff within investment teams or for staff within back office or control functions. A breakdown by AIF of fixed and variable remuneration is therefore not readily available.

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3i Europartners Vb LP

Annual report and accounts for the year to 31 March 2021

Registered number: LP 011420

To be filed with accounts of 3i EFV GP Ltd: Company number 05840692

Contents

Strategic report

The Directors of 3i Investments plc, acting as former Manager and Liquidating Trustee (the "Manager") present their strategic report on 3i Europartners Vb LP (the "Partnership") for the year ended 31 March 2021. The Manager and the Partnership are registered as Alternative Investment Fund Manager ("AIFM") and Alternative Investment Fund ("AIF") respectively, in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). The Partnership is regulated by AIFMD rules and regulations. Citibank Europe plc, UK branch continues to act as depositary for the Partnership.

Results and business review

The principal activity of the Partnership is to carry on the business of an investor in Buy-out deals across all regions in which 3i Group plc ("3i") invests worldwide.

The main key performance indicators are as follows:

	2021	2020
	€	€
(Loss)/profit and Total comprehensive income for the year before carried interest expense	(6,300,584)	147,456,261
(Loss)/profit and Total comprehensive income for the year	(4,520,524)	97,127,755
Net assets attributable to Partners	17,088,034	21,608,558
Total attributable to Partners	20,709,941	27,010,525

The results for the year and financial position of the Partnership are as shown in the annexed financial statements on pages 11 and 13.

The financial year began against a backdrop of unprecedented uncertainty as the outbreak of COVID-19 intensified across the world. Since then, record levels of fiscal and monetary stimulus have been deployed by governments and central banks to support the public health measures put in place to mitigate the impacts of the pandemic and to protect economies and businesses. Following the initial sharp fall towards the end of March 2020, global markets have gradually rallied but remain susceptible to significant volatility as the situation develops. As at 31 March 2021 COVID-19 continues to have a significant impact on the global economy and livelihoods; however the current outlook is encouraging, as vaccine programmes begin to have a positive effect. Progress, however, is dependent on the pandemic being controlled particularly in the face of potential new virus mutations against which existing vaccines may not be as effective.

The Manager continues to operate with limited disruption to its day-to-day operations and has worked closely with portfolio management teams to support their respective contingency plans. Enhanced portfolio monitoring and reporting processes remain in place to identify any short-term liquidity or covenant test issues and other actions needed to support the portfolio company through this unprecedented period of uncertainty. The impact of COVID-19 on the longer-term plans of the portfolio company is subject to regular updates and assessments as part of this enhanced monitoring.

The Partnership's performance is dependent on cash flows derived from portfolio income, realisation of assets, and changes in the value of the investment portfolio. The Manager recognises the performance of the Partnership to be unfavourable due to the fall in the value of the remaining investment of €6,791,104 offset by realised gains of €567,181.

Asset cash flows were derived from proceeds from investments of €455,356 and portfolio income of €92,434. The Partnership did not make any distributions to Partners in the year.

Future developments

The term of the Partnership expired on 15 November 2019 and the Manager has undertaken a resolution not to extend the Partnership. The Manager is now acting as the Liquidating Trustee and intends to liquidate the Partnership following realisation of the one remaining asset.

Strategic report (continued)

Risk management

The Manager evaluates the Partnership's risk appetite on a regular basis. The principal risks and uncertainties facing the Partnership are considered to be the following:

- Market price risk
- Currency risk
- Concentration risk
- Credit risk
- Liquidity risk
- Interest rate risk
- Capital management
- Operational impact of COVID-19

The Manager has established a risk and financial management framework whose primary objective is to protect the Partnership from events that hinder the achievement of the Partnership's performance objectives, being to generate attractive risk-adjusted returns to investors.

These objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a Partnership level. Details of the Partnership's associated risk policies are found in note 9.

For and on behalf of 3i Investments plc as former Manager and Liquidating Trustee

DocuSigned by:
Jasi Halai
0EA157743D8F41A

Jasi Halai
Authorised Signatory

24 May 2021

Registered office:
16 Palace Street
London
SW1E 5JD

Members' report

The Directors of the Manager on behalf of the Members present the Members' report and the financial statements of the Partnership for the year ended 31 March 2021.

Background and general information

The Partnership was established on 29 June 2006 and is domiciled in England as an English Limited Partnership under the Limited Partnership Act 1907. The registered office of the Partnership is 16 Palace Street, London, SW1E 5JD. The General Partner of the Partnership is 3i EFV GP Ltd.

Activities and future prospects

The Partnership has been reported as a Qualifying Limited Partnership as defined under The Partnerships (Accounts) Regulations 2008.

The principal activity of the Partnership is to carry on the business of an investor in Buy-out deals across all regions in which 3i invests worldwide.

The Partnership is no longer investing other than in follow-on financing. The Manager will realise the Partnership's remaining asset in appropriate circumstances.

The term of the Partnership expired on 15 November 2019. The Manager is now acting as the Liquidating Trustee and intends to liquidate the Partnership following realisation of the one remaining asset.

Partners' interests

A summary of movements in Partners' accounts is given in the Statement of changes in Partners' accounts on page 12.

Manager

The Manager has responsibility for managing and operating the Partnership and for managing its investment portfolio. The Manager is authorised and regulated by the Financial Conduct Authority.

Going concern

The term of the Partnership ended in November 2019 per the Limited Partnership Agreement ("LPA"). The Manager is now acting as the Liquidating Trustee and intends to realise the Partnership's one remaining asset at a time when it will maximise Partner's returns. The Manager does not expect the sale of the Partnership's remaining asset to occur in the next 12 months and has held a cash balance which the Manager has forecast to be sufficient to meet expenses as they fall due for the next 4-5 years. As such, the Partnership has the resources and is expected to continue in operation for at least 12 months from the date of approval of these financial statements.

The Manager has also assessed the impact of COVID-19 throughout the year and established greater visibility on how the Partnership's portfolio company is navigating the challenges posed by the various government-imposed lockdowns and restrictions. Whilst the valuation of the asset within the Partnership's portfolio was impacted by the outbreak of COVID-19, the Partnership does not need to rely on the sale of its assets to meet its obligations when they fall due. Accordingly, the Manager believes that it is appropriate to prepare the financial statements on a going concern basis.

Events after the balance sheet date

The effects of COVID-19 remain uncertain subsequent to 31 March 2021 up to the date of sign off with the economic disruption continuing to impact the valuation of investments. Note 4 demonstrates the sensitivity of the investment valuations to a change in key inputs.

Disclosure of information to auditor

The Manager on behalf of the Members confirms that: (a) so far as it is aware, there is no relevant audit information of which the auditor is unaware; and (b) it has taken all steps it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of such information.

Members' report (continued)

Auditor

During the year, KPMG LLP was appointed as the auditor of the Partnership in accordance with clause 12.4 of the Limited Partnership Agreement ("LPA") and chapter 2, section 485 of the Companies Act 2006. The Partnership's previous auditor Ernst and Young LLP confirmed there are no circumstances related to their resignation.

For and on behalf of 3i Investments plc as former Manager and Liquidating Trustee

DocuSigned by:
Jasi Halai
0EA157743D8F41A.

Jasi Halai
Authorised Signatory

24 May 2021

Registered office:
16 Palace Street
London
SW1E 5JD

Members' responsibilities statement

The Partnerships (Accounts) Regulations 2008 requires the Members to prepare financial statements for each financial year. The Members have appointed the Manager to prepare the Strategic report, Members' report and the financial statements.

The Manager is responsible for preparing the Strategic report, Members' report and the financial statements in accordance with applicable law and regulations.

The Manager has elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and Partnership (Accounts) Regulation 2008. Under law the Manager 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 the profit or loss of the Partnership for that period.

In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with international accounting standards in conformity with the requirements of the Companies Act 2006 and Partnership (Accounts) Regulation 2008, subject to any material departure disclosed and explained in the financial statements;
- assess the qualifying 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 qualifying partnership or to cease operations, or have no realistic alternative but to do so.

The Manager has been appointed by the Members to fulfil the below responsibilities of the Members.

The Manager is responsible for keeping adequate accounting records which 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 which enable the Manager to ensure that the financial statements comply with the Companies Act 2006 as applicable to Qualifying Limited Partnerships by The Partnerships (Accounts) Regulations 2008. The Manager is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Manager confirms that they have complied with the above requirements in preparing the financial statements.

Auditor's report

Independent auditor's report to the Members of 3i Europartners Vb LP

Opinion

We have audited the financial statements of 3i Europartners Vb LP (the "qualifying partnership") for the year ended 31 March 2021 which comprise the Statement of comprehensive income, the Statement of changes in Partners' accounts, the Statement of financial position, the Statement of cash flows and the related notes, including the accounting policies set out in notes A to O.

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 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern

The Members 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 Members' conclusions, we considered the inherent risks to the qualifying partnership's business model and analysed how those risks might affect the qualifying partnership's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Members' 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 Members' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the qualifying 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 qualifying partnership will continue in operation.

Auditor's report (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 the Members, the 3i Group plc Audit and Compliance Committee, and 3i Group plc internal audit and inspection of policy documentation as to 3i Group plc's high-level policies and procedures, as applicable to the qualifying partnership, to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- reading meeting minutes of those charged with governance.

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 our overall knowledge of the control environment, we performed 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 the calculation of revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We also identified a fraud risk related to the valuation of unquoted investments due to their highly judgemental nature and use of unobservable inputs in their calculation.

We performed procedures including:

- identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post year end and closing journals.
- assessing significant accounting estimates relating to valuation of unquoted investments for bias.

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 Members (as required by auditing standards), and discussed with the Members the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

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

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

Secondly, the qualifying 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. We identified the following areas as those most likely to have such an effect: anti-bribery, data protection, anti-money laundering and certain aspects of qualifying partnership legislation recognising the nature of the qualifying partnership's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory 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.

Auditor's report (continued)

Strategic report and Members' report

The Members are responsible for the Strategic report and the Members' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the Strategic report and the Members' report 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 those reports;
- in our opinion the information given in the Strategic report and the Members' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to qualifying partnerships we are required 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 Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in the Members' Responsibilities Statement set out on page 6, the Members 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 qualifying 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 qualifying 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 Financial Reporting Council's website at *https://www.frc.org.uk/auditorsresponsibilities*.

Auditor's report (continued)

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

This report is made solely to the qualifying partnership's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by regulation 4 of the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the qualifying partnership'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 qualifying partnership and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Fangzhou

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Fang Fang Zhou (Senior statutory auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

24 May 2021

Statement of comprehensive income

for the year ended 31 March 2021

	Notes	2021 €	2020 €
Portfolio income	1	92,434	476,264
Unrealised losses on the revaluation of investments	4	(6,791,104)	(3,682,478)
Realised profits over value on the disposal of investments	2	567,181	171,306,270
Gross investment return		(6,131,489)	168,100,056
Operating expenses	3	(138,253)	(450,429)
Net interest expense		(60,093)	(38,142)
Foreign exchange gains / (losses)		29,251	(195)
Withholding tax expense		-	(20,155,029)
(Loss) / Profit and Total comprehensive income for the year before carried interest expense		(6,300,584)	147,456,261
Carried interest recovery / (expense)	7	1,780,060	(50,328,506)
(Loss) / Profit and Total comprehensive income for the year		(4,520,524)	97,127,755

All items in the above statement are derived from continuing operations. No operations were acquired or discontinued in the year.

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Statement of changes in Partners' accounts

for the year ended 31 March 2021

	Capital Contributions	Loan account	Profit and loss account	Total
	€	€	€	€
Opening balance of Partners' accounts	1,459	-	21,607,099	21,608,558
Drawdowns from Partners	-	-	-	-
Distributions to Partners	-	-	-	-
	1,459	-	21,607,099	21,608,558
Loss and Total comprehensive income for the year	-	-	(4,520,524)	(4,520,524)
Closing balance of Partners' accounts	1,459	-	17,086,575	17,088,034

for the year ended 31 March 2020

	Capital Contributions	Loan account	Profit and loss account	Total
	€	€	€	€
Opening balance of Partners' accounts	1,459	-	928,439,323	928,440,782
Drawdowns from Partners	-	9,336,800	-	9,336,800
Distributions to Partners	-	(9,336,800)	(1,003,959,979)	(1,013,296,779)
	1,459	-	(75,520,656)	(75,519,197)
Profit and Total comprehensive income for the year	-	-	97,127,755	97,127,755
Closing balance of Partners' accounts	1,459	-	21,607,099	21,608,558

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Statement of financial position

as at 31 March 2021

	Notes	2021 €	2020 €
Assets			
Non-current assets			
Investments	4		
- Unquoted investments		9,382,883	16,138,169
Total non-current assets		9,382,883	16,138,169
Current assets			
Cash and cash equivalents		11,233,755	11,018,114
Receivables	5	246,312	246,312
Total current assets		11,480,067	11,264,426
Total assets		20,862,950	27,402,595
Liabilities			
Non-current liabilities			
Carried interest payable	7	(3,621,907)	(5,401,967)
Total non-current liabilities		(3,621,907)	(5,401,967)
Current liabilities			
Payables	6	(153,009)	(392,070)
Total current liabilities		(153,009)	(392,070)
Total liabilities		(3,774,916)	(5,794,037)
Net assets attributable to Partners		17,088,034	21,608,558
Represented by:			
Capital contributions		1,459	1,459
Loan account		-	-
Profit and loss accounts		17,086,575	21,607,099
Net assets attributable to Partners		17,088,034	21,608,558
Carried interest allocation		3,621,907	5,401,967
Total attributable to Partners		20,709,941	27,010,525

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

The financial statements have been approved and authorised for issue by the Manager.

For and on behalf of 3i Investments plc as former Manager and Liquidating Trustee

DocuSigned by:
Jasi Halai
0EA157743D8F41A

Jasi Halai
Authorised Signatory

24 May 2021

Statement of cash flows

for the year ended 31 March 2021

	Notes	2021 €	2020 €
Cash flow from operating activities			
Purchase of investments	4	(35,818)	-
Proceeds from investments	2	567,181	1,433,742,364
Divestment cost		(111,824)	-
Portfolio income received		92,434	476,264
Bank interest received		-	361
Bank interest paid		(60,093)	(38,503)
Operating expenses paid		(265,490)	(426,880)
Carried interest paid	7	-	(421,154,167)
Net cash flow from operating activities		186,390	1,012,599,439
Cash flow from financing activities			
Drawdowns		-	9,336,800
Distributions paid		-	(1,013,296,779)
Net cash flow from financing activities		-	(1,003,959,979)
Change in cash and cash equivalents		186,390	8,639,460
Cash and cash equivalents at the start of the year		11,018,114	2,378,849
Effect of exchange rate fluctuations		29,251	(195)
Cash and cash equivalents at the end of the year		11,233,755	11,018,114

The accounting policies on pages 15 to 17 and the notes on pages 18 to 26 form an integral part of these financial statements.

Accounting policies

A Statement of compliance These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and Partnership (Accounts) Regulation 2008.

The Partnership is a registered AIF in accordance with the AIFMD and is regulated by AIFMD rules and regulations.

New standards and interpretations

The Partnership did not implement the requirements of any other standards or interpretations that were in issue; these were not required to be adopted by the Partnership for the year ended 31 March 2021. No other standards or interpretations have been issued that are expected to have a material impact on the Partnership's financial statements.

B Basis of preparation The principal accounting policies applied in the preparation of the Partnership accounts are disclosed below. These policies have been consistently applied and apply to all years presented.

The term of the Partnership ended in November 2019 per the Limited Partnership Agreement ("LPA"). The Manager is now acting as the Liquidating Trustee and intends to realise the Partnership's one remaining asset at a time when it will maximise Partner's returns. The Manager does not expect the sale of the Partnership's remaining asset to occur in the next 12 months and has held a cash balance which the Manager has forecast to be sufficient to meet expenses as they fall due for the next 4-5 years. As such, the Partnership has the resources and is expected to continue in operation for at least 12 months from the date of approval of these financial statements.

The Manager has also assessed the impact of COVID-19 throughout the year and established greater visibility on how the Partnership's portfolio company is navigating the challenges posed by the various government-imposed lockdowns and restrictions. Whilst the valuation of the asset within the Partnership's portfolio was impacted by the outbreak of COVID-19, the Partnership does not need to rely on the sale of its assets to meet its obligations when they fall due. Accordingly, the Manager believes that it is appropriate to prepare the financial statements on a going concern basis.

The financial statements have been prepared on a going concern basis and are presented in euros, the functional currency of the Partnership, being the currency in which Partners' capital commitments, drawdowns and distributions are denominated.

C Significant accounting estimates and judgements The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most significant techniques for estimation are described in the accounting policies below.

The most significant estimates for the Partnership relate to the fair valuation of the investments and carried interest payable. The valuation methodologies for investments are disclosed in accounting policies E and discussed in notes 4. The methodology for carried interest is disclosed in accounting policy O.

Carried interest payable is calculated based on the underlying agreements, and assuming all portfolio investments are sold at their fair values at the balance sheet date. The actual amounts of carried interest received and paid will depend on the cash realisations of these portfolio investments and valuations may change significantly in the next financial year. The fair valuation of the investment portfolio is itself a significant accounting estimate, as detailed above. The sensitivity of carried interest to movements in the investment portfolio is disclosed in note 7.

The Manager has concluded that the Partnership continues to meet the definition of an investment entity as its strategic objectives of investing in portfolio investments; providing investment management services to investors for the purpose of generating returns in the form of investment income and capital appreciation; and measuring and evaluating the performance of substantially all of its investments on a fair value basis remain unchanged.

Accounting policies (continued)

D Foreign currency transactions Monetary assets and liabilities denominated in foreign currencies are translated into euros at the closing rates of exchange at the balance sheet date. Foreign currency transactions are translated into euros at the rate of exchange at the date of the transaction and exchange differences arising on settlement or translation of monetary items are taken to the Statement of comprehensive income.

E Investments Investments represent equity and loan instruments which are managed on a fair value basis. Investments are recognised and de-recognised on their trade date where the purchase or sale of an investment is under a contract, the terms of which require the delivery or settlement of the investment.

Investments are classified as fair value through profit and loss or are initially recognised at the fair value of the consideration given. Quoted investments are subsequently measured at fair value using the closing bid price at the reporting date where the investment is quoted on an active stock market. Unquoted investments, including both equity and loans, are subsequently measured at fair value in accordance with the International Private Equity and Venture Capital ("IPEV") valuation guidelines with reference to the most appropriate information available at the time of measurement.

Interest-bearing loans accrue interest which is either settled in cash or capitalised on a regular basis and included as part of the principal loan balance. The capitalisation of accrued interest is treated as part of investment additions during the year. If the fair value of an investment is assessed to be below the principal value of the loan, the Partnership recognises a fair value reduction against any interest income accrued from the date of the assessment going forward. "Capitalisation at nil value" is the term used to describe the capitalisation of accrued interest which has been fully provided for. These transactions are disclosed as additions to portfolio cost with an equal reduction in portfolio value. If the fair value of such an investment is subsequently assessed to be above the fair value of the loan, the interest provision is reversed, with the amount disclosed as an unrealised gain on the revaluation of an investment, converted into euros using the exchange rates in force at the revaluation date. Any foreign exchange differences arising between the recognition and reversal of the provision are shown as foreign exchange in note 1.

Loans and equity are valued together to derive the fair value of the asset, where loan and equity instruments are in the same investment and are invested and disposed of at the same time, and cannot be traded separately. To arrive at the fair value of the unquoted equity and loan instruments, the entire fair value of the asset is estimated. The value is then distributed amongst the different loan, equity and other financial instruments accordingly.

F Revenue recognition The revenue recognised by the Partnership is investment income, analysed into the following components:

I. Realised profits or losses over value on the disposal of investments are the difference between the fair value of the proceeds received gross of withholding taxes less any directly attributable costs, on the sale of equity and the repayment of loans and receivables, and its carrying value at the start of the accounting period.

II. Unrealised profits or losses on the revaluation of investments are the movement in the carrying value of investments between the start and end of the accounting period.

III. Portfolio income is income that is directly related to the return from individual investments. It is recognised to the extent that it is probable that there will be economic benefit and the income can be reliably measured.

- Income from loans that is recognised as it accrues by reference to the principal outstanding and the interest rate applicable and is only recognised to the extent that it is deemed recoverable.
- Transaction fees are recognised to the extent not already offset against priority profit share.

G Operating expenses All operating expenses incurred in relation to the management and administration of the Partnership in accordance with the LPA are charged to the Statement of comprehensive income on an accruals basis.

H Priority profit share A priority profit share is paid to the General Partner, as a first charge on amounts available for allocation among Partners, as determined by the LPA. The priority profit share is treated as an expense in the Statement of comprehensive income and recognised on an accruals basis as it is a contractual obligation with no recourse per the terms of the LPA.

Accounting policies (continued)

I Offsetting financial assets and liabilities Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously. As at 31 March 2021 and 31 March 2020, no financial assets and liabilities are offset in the Statement of financial position.

J Cash and cash equivalents Cash and cash equivalents in the Statement of financial position comprise cash at bank and short term deposits held at call with financial institutions.

K Distributions All capital and income receipts are distributed among the Partners based on allocations made in accordance with the LPA and at the discretion of the Manager. Distributions to Partners are accounted for as a deduction to the loan account until the balance is repaid and then as a deduction to the profit and loss accounts. A distribution is recognised in the year when a distribution notice is issued by the Manager.

L Capital contributions and loan account Capital contributions and loan account are classified as a financial liability. Partners have committed amounts to the Partnership in accordance with the LPA. These commitments will be satisfied through the contribution of capital and loan subscription amounts when admitted to the Partnership. The amounts and the timings of calls for capital contribution and loan commitments from the Limited Partners are at the discretion of the General Partner. Capital contributions and loan account are carried at amortised cost.

M Receivables Assets, other than those specifically accounted for under a separate policy, are stated at their cost less impairment. Assets are reviewed for recoverability and impairment using the expected credit loss model simplified approach. The Partnership will recognise the asset's lifetime expected credit losses at each reporting period where applicable in the Statement of comprehensive income.

N Payables Liabilities, other than those specifically accounted for under a separate policy, are stated based on the amounts which are considered to be payable in respect of goods or services received up to the Statement of financial position date.

O Carried interest In accordance with the LPA, the Founder Partner is entitled to receive a share of the realised profits of the Partnership. The Founder Partner will receive its share of the profits after the performance conditions described in the LPA have been met and the outstanding participation for all Partners, including the General Partner, has been repaid. Carried interest is accrued at the balance sheet date where the calculation indicates that the performance conditions would have been achieved and distribution arrangements met were the underlying investments realised at their fair values, taking into account distributions paid to date. An accrual is made equal to the Founder Partner's share of profits in excess of the performance conditions, discounted to reflect the likely actual cash payment date, which may be materially later than the time of the accrual.

An increase or decrease in the carried interest due to the Founder Partner during the year is included as carried interest expense in the Statement of comprehensive income. A recovery of previously accrued carried interest results from a decrease in carried interest due to the Founder Partner, at the reporting date.

Notes to the financial statements

1 Portfolio income

	2021 €	2020 €
Transaction fees	92,434	476,264
	92,434	476,264

2 Realised profits over value on the disposal of investments

	Unquoted Investments €	2021 Total €
Proceeds from investments gross of withholding tax	567,181	567,181
Opening carrying value of disposed investments	-	-
	567,181	567,181

	Unquoted Investments €	2020 Total €
Proceeds from investments gross of withholding tax	1,453,785,568	1,453,785,568
Opening carrying value of disposed investm	(1,282,479,298)	(1,282,479,298)
	171,306,270	171,306,270

3 Operating expenses

	2021 €	2020 €
Audit fees	16,191	13,588
Bank charges	563	11
Administration expenses	31,350	30,037
Tax compliance	59,187	194,409
Annual investor meeting and Advisory Board expenses	1,003	93,699
Portfolio company related costs	32,166	1,680
AIFMD depositary	(18,892)	94,332
Fund reporting	16,685	22,673
	138,253	450,429

4 Investments

The fair value of unquoted investments comprises of loan instruments of €9,382,883 (2020: €16,138,169).

The holding period of the Partnership's investments is on average greater than one year. For this reason the investments are classified as non-current. It is not possible to identify with certainty that investments will be sold within one year.

Fair value hierarchy

The Partnership classifies financial instruments measured at fair value in the investments according to the following hierarchy:

Level	Fair value input description	Financial instruments
Level 1	Quoted prices (unadjusted) from active markets	No Level 1 financial instruments
Level 2	Inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)	No Level 2 financial instruments
Level 3	Inputs that are not based on observable market data	Unquoted equity instruments and loan instruments

The Partnership's investments in equity and loan instruments is classified by the fair value hierarchy as follows:

	2021 Level 1 €	2021 Level 2 €	2021 Level 3 €	2021 Total €
Unquoted investments	-	-	9,382,883	9,382,883
	-	-	9,383,883	9,382,883

	2020 Level 1 €	2020 Level 2 €	2020 Level 3 €	2020 Total €
Unquoted investments	-	-	16,138,169	16,138,169
	-	-	16,138,169	16,138,169

As at 31 March 2021 and 31 March 2020, the Partnership did not hold any Level 1 or Level 2 investments.

Investments are reviewed at each year end to ensure that they are correctly classified between Level 1, 2 and 3, in accordance with the fair value hierarchy authorised above. When an investment's characteristics change during the financial period and investments no longer meet the criteria of a given level, they are transferred into a more appropriate level at the beginning of the relevant financial reporting period. There were no transfers in or out of Level 3 in the year (2020: nil).

4 Investments (continued)

Level 3 fair value reconciliation

	2021 €	2020 €
Opening fair value	16,138,169	1,302,299,945
Additions – cash	35,818	-
Additions – interest	1,111,513	1,077,901
– Of which capitalised at nil value	(1,111,513)	(1,077,901)
Disposals, repayments and write-offs	-	(1,282,479,298)
Fair value movement	(6,791,104)	(3,682,478)
Closing fair value	9,382,883	16,138,169

A net loss of €6,131,489 (2020: profit of €168,100,056) was recorded in the Statement of comprehensive income as portfolio income, unrealised losses on the revaluation of investments and realised profits over value from the disposal of investments from Level 3 assets.

Level 3 inputs are sensitive to assumptions made when ascertaining fair value as described in accounting policy E. The following table summarises the various valuation methodologies used by the Manager to fair value Level 3 instruments, the inputs and the sensitivities applied and the impact of those sensitives to the unobservable inputs. The Partnership has maintained a 5% sensitivity which is underpinned by the resilient performance of its portfolio investments.

Level 3 unquoted investments

Methodology	Description	Inputs	Fair value at 31 March €m	Sensitivity on key unobservable input	Fair value impact of sensitivities €m
Discounted cash flow	Appropriate for businesses with long-term stable cash flows, typically in Infrastructure or alternatively businesses where DCF is more appropriate in the short term	Long-term cash flows are discounted at a rate which is benchmarked against market data, where possible, or adjusted from the rate at the initial investment based on changes in the risk profile of the investment.	9.4 (2020: 16.1)	+5% -5% For the assets valued on a DCF basis, the Manager has applied a 5% sensitivity to the discount rate.	(0.8) (2020: (1.1)) 1.2 (2020: 1.2)

5 Receivables

	2021 €	2020 €
Other receivables	246,312	246,312
	246,312	246,312

6 Payables

	2021	2020
	€	€
Accrued expenses	153,009	280,246
Other payable	-	111,824
	153,009	392,070

7 Carried interest payable

	2021	2020
	€	€
Opening carried interest payable	5,401,967	376,227,628
Carried interest payable recognised in the Statement of comprehensive income during the year	(1,780,060)	50,328,506
Cash paid in the year	-	(421,154,167)
	3,621,907	5,401,967
Of which: payable is greater than 1 year	3,621,907	5,401,967

Carried interest payable at the balance sheet date is discounted to reflect the likely cash payment date, which may be materially later than the time of the accrual. If the carried interest payable were not discounted, the accrual at the balance sheet date would be higher at €4,141,978 (31 March 2020: €5,401,967).

A 5% increase in the valuation of all individual assets in the underlying investment portfolio would result in a €82,022 increase in carried interest payable (31 March 2020: €161,382).

A 5% decrease in the valuation of all of individual assets in the underlying investment portfolio would result in a €82,022 million decrease in carried interest payable (31 March 2020: €161,382).

8 Taxation

No provision for taxation has been made as the Partnership has no liability to taxation. Any taxation arising on the income and gains of the Partnership is payable by the individual Partners. Any withholding tax incurred by the Partnership is charged to the Statement of comprehensive income.

9 Financial instruments and associated risks

The Partnership is subject to market price risk, currency risk, concentration risk, credit risk, liquidity risk, interest rate risk, capital management risk and operational impact of COVID-19.

Market price risk

Market risk is the potential for changes in value due to the performance of underlying investments.

The Partnership's investment is susceptible to market price risk arising from uncertainties about future market conditions within which the investment operates. The Partnership's market risk is regularly managed by the Manager.

The Partnership's management of price risk, which arises primarily from unquoted loan instruments, is through the careful consideration of the investment, asset management and divestment decisions by the Manager. The Partnership's sensitivity to price risk is analysed in notes 4.

Towards the end of the financial year market price risk impacted the valuations of the Partnership's investment due to increased volatility within equity markets caused by the global economic impact of COVID-19. This is further discussed within note 4.

Currency risk

A significant exposure to currency risk is due to fluctuations in foreign currency translation. At 31 March 2021, the Partnership was exposed to currency risk relating EUR/GBP, EUR/SEK and EUR/USD. At 31 March 2021, had EUR strengthened / weakened by 5%, 10% or 15% in relation to these currencies, with all other variables held constant, net assets attributable to Partners would have decreased / increased respectively by the amounts shown in the following table.

	5%	10%	15%
As at 31 March 2021	**€**	**€**	**€**
GBP	22,167	42,319	60,719
SEK	2	3	5
USD	(1,742)	(3,325)	(4,771)
	20,427	38,997	55,953
As at 31 March 2020	**€**	**€**	**€**
GBP	(2,151)	(4,107)	(5,893)
SEK	2	3	4
USD	(6,093)	(11,632)	(16,690)
	(8,242)	(15,736)	(22,579)

In addition to this, the table below sets out the Partnership's exposure to foreign currency exchange rates with regard to the Partnership's assets and liabilities at the year end. The Partnership's total assets were €20,862,950 (2020: €27,402,595) and the total liabilities including accrual for carried interest were €3,774,916 (2020: €5,794,037).

% of total Partnership assets	2021	2020
GBP	2.4%	-
USD	0.2%	-
	2.6%	-

% of total Partnership liabilities	2021	2020
GBP	0.7%	0.8%
USD	2.0%	2.6%
	2.7%	3.4%

2021: 97.3% (2020: 96.6%) of the Partnership's liabilities were denominated in euros.

9 Financial instruments and associated risks (continued)

Concentration risk

The Manager seeks to diversify risk through significant dispersion of investments by geography, economic sector and size as well as through the maturity profile of its investment portfolio.

The Partnership participates in one portfolio investment. The aggregate return of the Partnership may be materially and adversely affected by the unfavourable performance of Christ. This investment is concentrated in the jewellery distribution and retail industry and thus the Partnership's performance will be closely linked to the performance of this industry and the Partnership could be severely impacted by adverse developments affecting this industry.

Credit risk

Credit risk is the potential that an issuer, counterparty or underlying investment third party will be unable to meet commitments that it has entered into with the Partnership and/or the commitments with underlying investments of the Partnership.

Credit risk in relation to the debt element of the Partnership's investments is considered and monitored as part of the valuation process described in note 4. The credit quality of loans and receivables within the investments is based on the financial performance of the individual portfolio companies. For those assets that are not past due it is believed that the risk of default is small and that capital repayments and interest payments will be made in accordance with the agreed terms and conditions of the Partnership's investment. Where the portfolio company has failed or is expected to fail in the next 12 months, the increase in credit risk is included within the overall assessment of the fair value of the investment.

At the balance sheet date, there are no balances which were past due or impaired. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

Liquidity risk

The Partnership's liquidity risk is the risk that the Partnership will encounter difficulties raising liquid funds to meet commitments as they fall due. The Manager is responsible for determining the level of liquid funds to be held by the Partnership. A prudent liquidity risk management approach is adopted to ensure sufficient cash is available for both operational expenses and investments through capital calls from Partners and the retention of proceeds from investments. As at 31 March 2021, the Partnership has no undrawn commitments (2020: €24,181,830) which is callable by the Manager in accordance with the LPA. The last drawdown was made to ensure that the Partnership has adequate resources during the liquidation phase to fund any potential future follow-on investments (both for the remaining portfolio company and in respect of exited portfolio companies where contingent liabilities remain) as well as the Partnerships' ongoing liquidation and administration costs as long as the Partnership is in liquidation, which could potentially be for 4-5 years given the current anticipated conclusion of certain claims. A number of former portfolio investments, although exited have a small number of claims outstanding, which are being challenged but which are anticipated to take some time to resolve. In several of these, the relevant companies have already been liquidated. None of these claims is expected to be successful and accordingly no provision has been made in the Partnerships accounts for any potential liability.

The Partnership's investments are subject to liquidity risk in the normal course of business. As at 31 March 2021, the Partnership held €9,382,883 (2020: €16,138,169) in investments that it considered to be illiquid. The Manager manages this risk by ensuring that sufficient funds exist to meet outstanding commitments, other liabilities incurred by the operating activities of the Partnership and short term liquidity needs, as they fall due.

Liabilities arising from Carried interest payable will only crystallise if and when the performance conditions are met, and will only be paid once proceeds are received on the sale of investment or cash distribution from underlying assets, which ensures that sufficient assets will be available to meet them when they fall due (see accounting policy O).

9 Financial instruments and associated risks (continued)

Liquidity risk (continued)

The following table analyses the Partnership's liabilities into relevant maturity groupings based on the remaining period at the Statement of financial position date. The amounts in the tables are the contractual undiscounted cash flows.

As at 31 March 2021	Liabilities less than 1 year €	Liabilities between 1 - 5 years €	Liabilities more than 5 years €	Total €
Other payables and accrued expenses	153,009	-	-	153,009
	153,009	-	-	153,009
As at 31 March 2020				
Other payables and accrued expenses	392,070	-	-	392,070
	392,070	-	-	392,070

Carried interest payable greater than one year of €3,621,907 (31 March 2020: €5,401,967) has no stated maturity as carried interest results from investment related transactions and it is not possible to identify with certainty the timing of when the investment will be sold. The Partnership has no other liabilities to analyse into relevant maturity groupings.

Interest rate risk

The Partnership has no significant direct exposure to interest rate risk as its investments in debt instruments are in fixed rate loans.

Capital Management

The capital of the Partnership is considered to be the capital contributions, loan accounts and profit and loss accounts, which totalled €17,088,034 (2020: €21,608,558) at the reporting date. There are no externally imposed capital requirements on the Partnership. To maintain or adjust the capital structure, the General Partner may request additional contributions from the Partners in the form of drawdowns for operating expense or investment purposes and distribute capital back to the Partners on the sale of investments and receipt of income yield. No changes were made in the Partnership's objectives, policies or processes for the management of capital during the year ended 31 March 2021.

Operational impact of COVID-19

COVID-19 presents the biggest risk to the global economy since the 2008 financial crisis and has led to severe reductions in economic growth forecasts worldwide. Clearly not all industries will see impacts to the same degree; however, the effects will be felt in a number of areas across the Manager, 3i, and the Partnership's portfolio company.

COVID-19 has emphasised the importance of the Manager and the portfolio companies' focus on keeping employees safe, motivated and able to fulfil their roles effectively. New methods of working introduced in the wake of the COVID-19 outbreak have reshaped the work environment and the ways in which people interact and communicate. The Manager continues to review this situation based on the latest information available. Particular effort has been made to keep all staff informed and engaged through regular updates from management and team leaders. The Manager has taken the following steps in particular to address the impact on people and any risks that the changing work environment may present:

- The successful implementation of the business continuity plans;
- Restrictions on international business travel to limit potential risk to staff;
- The implementation of a work-from-home policy for the UK and all international offices, facilitated through the use of remote login and video and audio conferencing;
- The provision of mental health and wellbeing advice and guidance to staff; and
- The provision of streamed fitness classes.

9 Financial instruments and associated risks (continued)

Operational impact of COVID-19 (continued)

Members of the Manager's deal teams are working closely with our portfolio company in order to manage the range of operational issues and problems that have arisen, aided by the close relationships built between the Manager and the underlying management team. The impact from COVID-19 on the portfolio company is also closely monitored to analyse portfolio performance and future forecasts. Managing the stability and digital risk of an organisation's technology environment has become a key priority as firms seek to accomplish social distancing whilst maintaining normal everyday operations. Close monitoring of the performance of the Managers systems is ensuring their effective continuity. The Manager's IT system has performed strongly against these new demands with the continuation of high quality IT Service Desk support and the provision of accessible and effective video and audio teleconferencing software for all staff. Cybersecurity remains of paramount concern and monitoring of the risk to the Partnership and its portfolio company continues, particularly in light of the recent surge in cyber-attacks such as COVID-19 related phishing attempts.

10 Related parties

During the year the Partnership entered into transactions, in the ordinary course of business, with certain related parties. Each category of related party and its impact on the financial statements is detailed below.

Carried interest

The Partnership pays carried interest to the Founder Partner when certain conditions relating to the performance of the Partnership are met. The amounts recognised in the Statement of comprehensive income for the year ended 31 March 2021 and in the Statement of financial position as at 31 March 2021 are set out in note 7.

General Partner

The Partnership pays a priority profit share to the General Partner. During the investment period, the General Partner is entitled to receive a priority profit share equal to 1.75% of the acquisition cost of investments, reduced to the extent that the General Partner or any respective related party is in receipt of any fees related to the Partnership's activities. After the investment period expiry date, the priority profit share is equal to 1.25% of the aggregate acquisition cost of investments as determined at the investment period expiry date, reduced by the acquisition cost of investments that have been realised or permanently written off at the beginning of the relevant accounting period. The Partnership had stopped paying priority profit share after 15 November 2018, being the twelfth anniversary of the Partnership's final closing date.

The General Partner is a related party of the Partnership, being responsible for the financial and operating decisions of the Partnership. The General Partner is a wholly owned subsidiary of 3i Holdings plc, a subsidiary of 3i.

Management, administrative and secretarial arrangements

During the year a number of costs were recharged between the Partnership and 3i plc, a subsidiary of 3i, in accordance with the LPA, in relation to operational and investment expenses.

	2021	2020
Statement of comprehensive income	**€**	**€**
Recharged costs	140,648	356,086
Statement of financial position		
Accrued at the end of the year	142,207	373,178

10 Related parties (continued)

Related undertakings

The Partnership makes investments in the equity of unquoted and quoted investments where it does not have control but may be able to participate in the financial and operating policies of that company. It is presumed that it is possible to exert significant influence when the equity holding is greater than or equal to 20%. The total amounts included for investments where the Partnership has significant influence but not control are as follows:

	2021	2020
Statement of comprehensive income	€	€
Portfolio income	92,434	55,641
Unrealised losses on the revaluation of investments	(6,791,104)	(3,682,478)
Realised profits over value on the disposal of investments	567,181	-
Statement of financial position		
Unquoted investments	9,382,883	16,138,169

11 Related undertakings

The Companies Act 2006 as applicable to Qualifying Limited Partnerships by The Partnerships (Accounts) Regulations 2008 requires disclosure of certain information about the Partnership's related undertakings and this is set out below. Related undertakings are subsidiaries, joint ventures, associates and other significant holdings. In this context, significant means a shareholding greater than or equal to 20% of the nominal value of any class of shares.

The Partnership's related undertakings at 31 March 2021 are listed below.

Associates

Name	Holding / share class	Address	Country of incorporation or residence	Principal activity
Chrysanthes 1 Sarl	26.69% of Ordinary shares	9 rue Sainte Zithe, L-2763 Luxembourg	Luxembourg	Investment holding vehicle

The Partnership has no interest in any subsidiaries or joint ventures.

12 Controlling party

The Partnership has no ultimate controlling party.

13 Events after the balance sheet date

The effects of COVID-19 remain uncertain subsequent to 31 March 2021 up to the date of sign off with the economic disruption continuing to impact the valuation of investments. Note 4 demonstrates the sensitivity of the investment valuations to a change in key inputs.

AIF remuneration disclosure (unaudited)

- For the purposes of the FUND Disclosures set out in FUND 3.3.5(R) (5) and (6), the total amount of remuneration paid by AIFM to its staff for the year to 31 March 2021 was £163 million, of which £42 million was fixed remuneration and £121 million was variable remuneration. Total number of beneficiaries is 235.

- The aggregate total remuneration paid to AIFM Identified Staff for the year to 31 March 2021 was £40 million, of which £35 million was paid to Senior Management and £5 million was paid to other AIFM Identified Staff.

- Time allocations to individual AIFs are not recorded either for staff within investment teams or for staff within back office or control functions. A breakdown by AIF of fixed and variable remuneration is therefore not readily available.