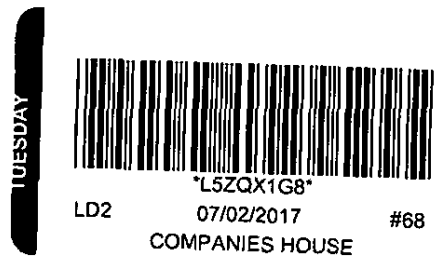
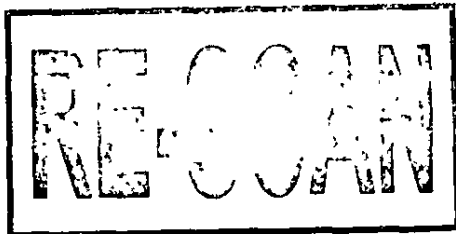


Company Registration No. 06370514 (England and Wales)

WYVERN GENERAL PARTNER LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2016



8/2/17

397

FCS

WYVERN GENERAL PARTNER LIMITED

COMPANY INFORMATION

Directors	A Allars D Embleton
Secretary	R Grasham
Company number	06370514
Registered office	Engine Shed Clock Tower Yard Temple Meads Bristol BS1 6QH
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

WYVERN GENERAL PARTNER LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
<i>Statement of comprehensive income</i>	5
Balance sheet	6
Notes to the financial statements	7 - 10

WYVERN GENERAL PARTNER LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2016

The directors present their annual report and financial statements for the year ended 31 July 2016.

Principal activities

The company is the General Partner of a Limited Partnership established to make venture capital investments

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Allars
D Embleton

Auditor

UHY Hacker Young were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

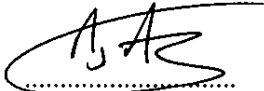
WYVERN GENERAL PARTNER LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2016

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

A handwritten signature in black ink, appearing to be 'A Allars', enclosed within a hand-drawn oval.

A Allars

Director

18/12/16

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WYVERN GENERAL PARTNER LIMITED

We have audited the financial statements of Wyvern General Partner Limited for the year ended 31 July 2016 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBER OF WYVERN GENERAL PARTNER LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion,

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report



Daniel Hutson (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

19 December 2016

Chartered Accountants
Statutory Auditor

WYVERN GENERAL PARTNER LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JULY 2016

	Notes	2016 £	2015 £
Turnover		228,981	237,203
Administrative expenses		(228,981)	(237,203)
Profit before taxation		-	-
 Taxation		-	-
 Profit for the financial year		-	-

WYVERN GENERAL PARTNER LIMITED

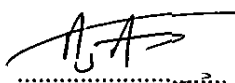
BALANCE SHEET

AS AT 31 JULY 2016

	Notes	2016 £	£	2015 £	£
Current assets					
Debtors	2	1		1	
Investments	3	1,000		1,000	
		<u>1,001</u>		<u>1,001</u>	
Creditors: amounts falling due within one year	4	(1,000)		(1,000)	
Net current assets			<u>1</u>		<u>1</u>
Capital and reserves					
Called up share capital	5		<u>1</u>		<u>1</u>

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

The financial statements were approved by the board of directors and authorised for issue on 18/12/16 and are signed on its behalf by:



A Allars
Director

Company Registration No. 06370514

WYVERN GENERAL PARTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies

Company information

Wyvern General Partner Limited is a private company limited by shares incorporated in England and Wales. The registered office is Engine Shed Clock Tower Yard, Temple Meads, Bristol, BS1 6QH

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

The company has taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares,
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures,
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

1.2 Turnover

Turnover represents the company's entitlement to priority profit share as general partner of the Wyvern Seed Fund Limited Partnership. In the absence of profits within the Funds, a sum equivalent to the company's entitlement is advanced to the company as an interest free limited recourse loan. Such advances are treated as income in the company's accounts, as this is the substance of the transaction.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

WYVERN GENERAL PARTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

WYVERN GENERAL PARTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company

2 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Amounts due from group undertakings	1	1
	<u> </u>	<u> </u>

WYVERN GENERAL PARTNER LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2016**

3 Current asset investments

	2016 £	2015 £
Other investments	1,000	1,000

Current asset investments comprise an investment in Wyvern Seed Fund Limited Partnership, of which the company is a general partner.

4 Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts due to group undertakings	1,000	1,000

5 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
1 ordinary share of of £1 each	1	1

6 Contingent Liabilities

As General Partner of a limited partnership, the company is ultimately liable for the liabilities of the limited partnership. No loss is expected to arise out of these arrangements.

7 Related party transactions

The company has taken advantage of the exemption for smaller entities and not disclosed transactions with group undertakings.

8 Parent company

The directors regard Wyvern Asset Management Limited, a company registered in England and Wales, as the immediate parent undertaking at the balance sheet date, since it holds 100% interest in the equity capital of the company. The directors consider Studium Ventures Limited to be the ultimate parent company and controlling entity.

Registered No. LP 006714

THE WYVERN SEED FUND LIMITED PARTNERSHIP
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016



COMPANIES HOUSE

THESE PARTNERSHIP ACCOUNTS
FORM PART OF THE ACCOUNTS OF
COMPANY No. 06370514

THE WYVERN SEED FUND LIMITED PARTNERSHIP

CONTENTS

	Page
General information	1
Annual report of the manager	3
Statement of manager's responsibilities	5
Independent auditor's report	6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in partners interests	9
Cash flow statement	10
Notes to the financial statements	11

THE WYVERN SEED FUND LIMITED PARTNERSHIP

GENERAL INFORMATION

The Wyvern Seed Fund (the “Partnership”) was registered as a limited partnership under the Limited Partnership Act 1907 with number LP6714 on 22 December 1999. The Partnership in its current form was constituted by an agreement dated 3 March 2010 (“the Partnership Agreement”).

The Partnership has been constituted pursuant to the University Challenge Fund Scheme Competition to carry on business as an investor and in particular but without limitation, to provide early stage investment so as to enable and facilitate the effective development of research ideas in any field or discipline into well-founded business propositions which can be commercialised through normal investment routes or be licensed to third parties.

Specifically, the purpose of the Partnership is to make, hold, monitor and realise investments in research projects and spin-out companies at Bristol and Southampton or such other research institutions as may be agreed with Limited Partner consent, with the principal objective of creating capital growth and realising capital gain.

The general partner of the fund is Wyvern General Partner Limited (the “General Partner”). The General Partner is entitled to an advanced profit share (the “profit share”) which segments into “fixed” and “bonus” elements. The fixed element is £200,000 plus an adjustment for inflation based on the year to July in the preceding year. The bonus element is a specified percentage of any capital gains realised in the year.

Wyvern Asset Management Limited is the Manager of the Partnership. The Manager is responsible for ensuring that those aspects of the management of the fund as constitute regulated activity under the provisions of the Financial Services and Markets Act 2000 are carried out on behalf of the fund by a person duly authorised under that Act to carry out such business.

Wyvern Asset Management Limited is also responsible for all aspects of the management of the fund as do not constitute regulated activity under the provisions of the Financial Services and Markets Act 2000.

A management fee is due from the General Partner to the Manager, which is equal to the amount of the General Partner’s profit share for the relevant period. The Manager shall bear all expenses incurred in performance of its duties with the exception of those expenses referred to in the Partnership agreement as being payable by the Partnership or General Partner.

THE WYVERN SEED FUND LIMITED PARTNERSHIP

GENERAL INFORMATION

GENERAL PARTNER

Wyvern General Partner Limited
Engine Shed
Clock Tower Yard
Temple Meads
Bristol
BS1 6QH

FUNDS COMMITTED

Funds committed by the limited partners were as follows

**At 1 August
2015 and
at 31 July
2016
£**

University of Bristol	187,500
University of Southampton	500,000
Wyvern General Partner Limited	1,000

688,500

Funds committed by way of a donation:

Office of Science and Technology of the DTI	3,329,950
Welcome Trust	794,300

4,812,750

INVESTMENT REVIEW BOARD

Mr D Embleton (Chairman)
Mr I Dale-Staples

MANAGER

Wyvern Asset Management Limited
Engine Shed
Clock Tower Yard
Temple Meads
Bristol
BS1 6QH

AUDITOR

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London
E1W 1YW

THE WYVERN SEED FUND LIMITED PARTNERSHIP

ANNUAL REPORT OF THE MANAGER FOR THE YEAR ENDED 31 JULY 2016

Introduction

This is the annual report for the Wyvern Seed Fund Limited Partnership.

This year sees a change of auditors and the implementation of Financial Reporting Standard 102, which will result in some differences in the presentation of the accounts, however, day to day operations of the Partnership remain unchanged.

The general economic environment over the last year has been somewhat secondary to the political landslides on both sides of the Atlantic

Nobody can say what Brexit will look like yet, but it will be bad for life science companies that are currently net recipients of EU funding. The relocation of the European Medicine Agency from London to another EU state will make drug development more uncertain. The biggest risk of Brexit will be the restrictions on bringing talented people to the UK to work in our portfolio companies.

The outlook for venture capital is negative with the European Investment Fund ("EIF") having to reduce its support to the UK and existing European funds with EIF money having to invest in the EU, which will exclude the UK.

The limited upside of a weak currency will make our companies cheaper to buy for foreign acquirers

On top of this we have the additional uncertainty of a Trump presidency. The effects on our sector are most likely to be trade related, and companies such as Symetrika, with significant US revenues, could be affected.

Portfolio

Fund raising by portfolio companies has been fairly quiet over the past year. Boxarr raised just under £2m, in which we did not participate. Karus did a top up round to which the Partnership contributed modestly. The Partnership's biggest investment during the year was in a £2m round for Perpetuum, which continues to progress well. After the year end Arkivum raised £3m in a significant down-round

The most unusual development of the year was the demerger of Graphcore from Xmos, which added a new holding to the Partnership's portfolio. Graphcore subsequently raised significant funding from the Xmos investors, although the Partnership did not participate.

KWS Biotest has performed extremely well, as acknowledged by the increase in valuation arising from its trading performance

The share price performance of the two quoted companies in the portfolio, Ilika and Revolymer, has been up and down. The Partnership has not sold further shares in Revolymer, where the new CEO has yet to have an impact.

Fund performance

The Partnership is reporting an operating loss for the year of £228,138 (2015: £441,576). This is mainly represented by the normal operating costs, with there being no write offs this year. The P&L includes the payment of the fixed element of the advanced profit share of £228,938 (2015: £228,981). The management bonus element of the advanced profit share was £nil (2015: £8,222).

During the year, net assets decreased to £2,241,728 (2015: £2,838,093).

THE WYVERN SEED FUND LIMITED PARTNERSHIP

ANNUAL REPORT OF THE MANAGER FOR THE YEAR ENDED 31 JULY 2016

Investment activity

In line with the policy suggested by the Investment Review Board, the Manager has continued to focus on the prudent use of current cash to protect the value of the existing portfolio.

At 31 July 2016, the Partnership has current assets of £109,740, all of which was in cash and short-term deposits.

Going concern

The Partnership has considered the financial position of the Limited Partnership, its cash flows and liquidity position. The Manager believes that the Limited Partnership is well placed to manage its business risks successfully, despite the current uncertain economic outlook. The Partnership could realise cash from its holding in the publicly quoted Revolymer plc. As a consequence, the Manager believes the Partnership is well positioned to manage its business risks successfully despite the current economic climate. After making enquiries with its Limited Partners, the Manager has a reasonable expectation that the Partnership will continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

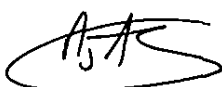
Auditor

In the case of each of the persons who is a director of the Manager at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of the information.

Approval of financial statements

We, on behalf of the Directors of Wyvern Asset Management Limited (Manager to the Fund), approve the financial statements and confirm that we have made available all relevant records and information for their preparation.



A J Allars

On behalf of the Directors of Wyvern Asset Management Limited

16th Dec 2016

THE WYVERN SEED FUND LIMITED PARTNERSHIP

STATEMENT OF MANAGER'S RESPONSIBILITIES FOR THE YEAR ENDED 31 JULY 2016

The Manager's responsibility in preparing the Partnership's financial statements are set out in clause 12 of the Partnership Agreement. The financial statements are required to be prepared in accordance with the Partnership Agreement and with United Kingdom Generally Accepted Accounting Practice. In preparing the financial statements in this matter, the Manager is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The Manager is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose, with reasonable accuracy at any time, the financial position of the Partnership and enable them to ensure that the financial statements comply with the Partnership Agreement. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WYVERN SEED FUND LIMITED PARTNERSHIP

We have audited the non-statutory financial statements of the Wyvern Seed Fund Limited Partnership for the year ended 31 July 2016, which comprise the statement of total comprehensive income, the balance sheet, the statement of changes in partners interests, the cash flow statement and the related notes 1 to 7. The financial reporting framework that has been applied in their preparation is the accounting policies set out therein.

This report is made solely for the exclusive use of the partners and solely for the purpose of giving an opinion on whether the financial statements for the year ended 31 July 2016 have been properly prepared in accordance with the accounting policies set out therein. Our audit work has been undertaken so that we might state to the limited 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 limited partnership and the limited partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Manager and auditor

As explained more fully in the Manager's Responsibilities Statement set out on page 5, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International standards on Auditing (UK and Ireland). Those standards require us to comply with Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the limited partnership's affairs as at 31 July 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.



Daniel Hutson (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

16 December 2016

Chartered Accountants
Statutory Auditor

THE WYVERN SEED FUND LIMITED PARTNERSHIP

**STATEMENT OF TOTAL COMPREHENSIVE INCOME
YEAR ENDED 31 JULY 2016**

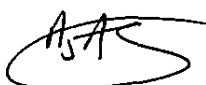
	Note	2016 £	2015 £
Income			
<i>Income from fixed interest deposits</i>		908	3,897
Loss realised on disposal of investments		-	(207,471)
		<u>908</u>	<u>(203,574)</u>
Administrative expenses			
Professional fees	4	-	(719)
Other expenses		(108)	(80)
General Partner's priority profit share	2	(228,938)	(237,203)
		<u>(229,046)</u>	<u>(238,002)</u>
Total expenses			
		(229,046)	(238,002)
Operating loss		(228,138)	(441,576)
Fair value (loss)/gain based on revaluation of investments		(368,286)	920,039
(Loss)/profit for the financial year and comprehensive income		<u>(596,424)</u>	<u>478,463</u>

All amounts are derived from continuing operations.

THE WYVERN SEED FUND LIMITED PARTNERSHIP**BALANCE SHEET
YEAR ENDED 31 JULY 2016**

	Note	2016 £	2015 £
Fixed assets			
Investments	5	2,189,166	2,505,499
		<hr/>	<hr/>
Current assets			
Investments – 7 day deposits		100,254	330,745
Cash at bank and in hand		9,486	9,865
		<hr/>	<hr/>
		109,740	340,610
Creditors: amounts falling due within one year	6	(57,238)	(8,016)
		<hr/>	<hr/>
Net current assets		52,502	332,594
		<hr/>	<hr/>
Net assets of the Partnership		2,241,668	2,838,093
		<hr/>	<hr/>
Partners' interests			
Capital contributions		4,812,750	4,812,750
Loan accounts		687,500	687,500
Fair value reserve		(421,981)	(53,695)
Current accounts		(2,836,601)	(2,608,462)
		<hr/>	<hr/>
Total partners' interests		2,241,668	2,838,093
		<hr/>	<hr/>

These financial statements were approved by the Manager on 16th Dec 2016.



A J Allars
On behalf of the Directors of Wyvern Asset Management Limited

Registered No. LP 006714

THE WYVERN SEED FUND LIMITED PARTNERSHIP

**STATEMENT OF CHANGES IN PARTNERS INTERESTS
YEAR ENDED 31 JULY 2016**

	Bristol	Soton	Wyvern GP Limited	2016 Total	2015 Total
	£	£	£	£	£
Capital accounts					
Direct contribution	187,500	500,000	1,000	688,500	688,500
OST (reallocated)	910,150	2,419,800	-	3,329,950	3,329,950
Wellcome Trust	217,100	577,200	-	794,300	794,300
Total capital accounts	1,314,750	3,497,000	1,000	4,812,750	4,812,750
Loan accounts	187,500	500,000	-	687,500	687,500
Fair value reserve					
Balance at 31 July 2015	(13,937)	(39,758)	-	(53,695)	(973,734)
Realisations from investments	-	-	-	-	532,646
Fair value adjustments in year	(100,542)	(267,744)	-	(368,286)	387,393
Balance at 31 July 2016	(114,479)	(307,502)	-	(421,981)	(53,695)
Current account					
Balance at 31 July 2015	(712,261)	(1,896,201)	-	(2,608,462)	(2,166,886)
Loss for the year	(62,282)	(165,857)	-	(228,139)	(441,576)
Balance at 31 July 2016	(774,543)	(2,062,058)	-	(2,836,601)	(2,608,462)
Total partners' interest	613,228	1,627,440	1,000	2,241,668	2,838,093

THE WYVERN SEED FUND LIMITED PARTNERSHIP

**CASH FLOW STATEMENT
YEAR ENDED 31 JULY 2016**

	Note	2016 £	2015 £
Net cash outflow from operating activities	7	(179,825)	(231,802)
Returns on investments and servicing of finance			
Realisation of investments		-	476,837
Bank interest received		908	3,897
Net cash inflow from returns on investments and servicing of finance		908	480,734
Capital expenditure and financial investment			
Purchase of investments		(51,953)	(86,802)
Cash flow before management of liquid resources		(230,870)	162,130
Management of liquid resources			
Net decrease/(increase) in 7-day deposits		230,491	(162,265)
Change in cash for the year		(379)	(135)
Net funds at the start of the year		9,865	10,000
Net funds at the end of the year		9,486	9,865

THE WYVERN SEED FUND LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2016

1. Accounting policies

The financial statements are prepared in accordance with the Limited Partnership Agreement and with Generally Accepted Accounting Practice in the United Kingdom, except as disclosed below. The particular accounting policies adopted have all been applied consistently throughout the year and the preceding year.

Accounting convention

These financial statements for the year ended 31 July 2016 are the first financial statements of The Wyvern Seed Fund Limited Partnership prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 August 2014. The last financial statements in accordance with the prior financial reporting framework were for the year ended 31 July 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

In accordance with section 9.9 of FRS 102 the accounts are not consolidated since the investments are held exclusively with a view to subsequent resale and as part of an investment portfolio.

Going concern

The Manager has considered the financial position of the Limited Partnership, its cash flows and liquidity position. As a consequence, they believe that the Limited Partnership is well placed to manage its business risks successfully, despite the current uncertain economic outlook.

After making enquiries, the Manager has a reasonable expectation that the Limited Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Manager continues to adopt the going concern basis in preparing the annual report and financial statements.

Investments

Equity investments are valued by the Manager in accordance with the International Private Equity and Venture Capital Association ("IPEVC") guidelines endorsed by the British Venture Capital Association ("BVCA").

Investment revaluation movements are recorded in the fair value reserve and shown in the statement of comprehensive income regardless of whether this represents an upwards revaluation above cost or an impairment below cost.

The gain or loss of an investment is denoted by the proceeds of disposal of the investment, less the cost of the investment. The unrealised (loss)/gain of the investment is recognised within the statement of comprehensive income as part of unrealised net (loss)/gain on revaluation of investments.

Investments in non-equity projects and pathfinders (including loans made in relation to equity investments) have been valued at cost where:

- the project/pathfinder is still active (i.e. it has not been completed); and
- the project/pathfinder may have commercial potential.

THE WYVERN SEED FUND LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2016

1. Accounting policies (continued)

Income

Fixed returns on loans are recognised on a time apportionment basis, provided there is no reasonable doubt that payment will be received in due course. Bank deposit interest is recognised as it accrues.

Expenses

All expenses are accounted for on an accruals basis and are shown inclusive of irrecoverable VAT. *Expenses incidental to the acquisition or disposal of an investment are included within the cost of the investment or deducted from the disposal proceeds as appropriate*

Taxation

The Partnership has no tax liability in respect of income and capital gains. Income and capital gains (or losses) accruing to the Partnership will be attributed to the relevant partners for tax purposes, according to their entitlement to income and capital under the terms of the Partnership Agreement.

Interest payable and receivable

Interest payable and receivable are accounted for on an accruals basis in the profit and loss account.

2. General Partner's priority profit share

Under the terms of the Partnership Agreement dated 3 March 2010, a priority profit share of £228,938 was payable in respect of the year (2015: £237,203) to the General Partner. This figure comprises a "fixed" portion of £228,938 (2015: £228,981) and a "bonus" element of £Nil (2015: £8,222). The "fixed" portion is adjusted each year for inflation.

The "fixed" portion of the priority profit share is payable regardless of whether profits arise. The priority profit share has been recorded as a cost to the Partnership rather than a drawings movement on reserves as the Manager considers that this better reflects the cost of running the Partnership. The "bonus" element arises from capital gains made on disposal of portfolio companies and is detailed in the Amended and Restated Limited Partnership Agreement 2010.

3. Appropriations

All assets available for distribution by the Partnership shall on the occasion of each distribution be distributed in the following order:

- i) firstly, to the General Partner in payment of its General Partner's profit share;

THE WYVERN SEED FUND LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2016

- ii) secondly, in the event that the funds available for investment are not less than £16,500,000 and the General Partner's Advanced Profit Share has been paid in repaying the Loans, to the Limited Partners; and
- iii) thirdly, in the event that the funds available for investment are not less than £16,500,000 and the General Partner's Advanced Profit Share has been paid and the Loans have been repaid, to the partners in accordance with the ratios set out in sub-clause 15.2 of the Partnership Agreement

4 Professional fees

During the year, audit fees of £6,000 (2015 £8,755) were borne by Wyvern Asset Management Limited.

5 Investments

	Equity £	Non-equity £	Total £
Cost			
At 1 August 2015	2,489,194	70,000	2,559,104
Additions	51,953	-	51,953
	<u>2,541,147</u>	<u>70,000</u>	<u>2,611,147</u>
Revaluation			
At 1 August 2015	16,305	(70,000)	(53,695)
Movement in value	(368,286)	-	(368,286)
	<u>(351,981)</u>	<u>(70,000)</u>	<u>(421,981)</u>
Net book value			
At 31 July 2016	<u>2,189,166</u>	<u>-</u>	<u>2,189,166</u>
At 31 July 2015	<u>2,505,499</u>	<u>-</u>	<u>2,505,499</u>

The investments held as fixed assets at the year-end comprise the following

	Number of Shares held	Loan/class of share	2016 Equity % held	2015 Equity % held
Apitope International Limited	187,238	"A" Ordinary	1.0	2.12
	14,839	Series C		
Arkivum Limited	26,734	Ordinary	2.4	3.78
Atlas Genetics Limited	1,222	Ordinary	0.3	0.35
Azellon Limited	20,367	"A" Ordinary	2.7	2.52
Boxarr Limited	5,819	Ordinary	1.0	1.44
Capsant Neurotechnologies Limited	6,667	Ordinary	-	0.41

THE WYVERN SEED FUND LIMITED PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016**

5 Investments (continued)

	Number of Shares held	Loan/class of share	2016 Equity % held	2015 Equity % held
Graphcore Limited	14,285	Ordinary	0.1	-
	5,571	"A" Ordinary	-	-
Ilika Technologies Limited	45,683	Ordinary	-	0.08
Imetrum Limited	1,484	"B" Ordinary	23.3	23.32
Karus Therapeutics Limited	-	Ordinary	0.7	1.65
	2,165	"A" Ordinary	-	-
	2,400	"B" Preferred	-	-
KWS Biotest Limited	6100	"B" Ordinary	8.1	8.13
Micrima Limited	2,069,077	Ordinary	-	0.20
Perpetuum Limited	251,579	Ordinary	3.1	2.86
	13,666	"B" Ordinary	-	-
	445,842	"C" Ordinary	-	-
Revolymmer Limited	465,980	Ordinary	-	0.88
Stratophase Limited	17,673	Ordinary	-	1.20
Symetrica Limited	11,278	Ordinary	4.3	4.32
	6,681	"A" Ordinary	-	-
	2,147	"B" Ordinary	-	-
Xmos Limited	205,862	"S" Ordinary	0.1	0.21
	180,290	"B" Ordinary	-	-
	92,696	"B2" Ordinary	-	-
	191,805	"C" Ordinary	-	-
	63,051	"D" Ordinary	-	-

The investments are valued as follows:

31 July 2016

	Cost £	Unrealised gain/(loss) £	Valuation £
Equity investments			
Apitope International Limited	227,453	(205,434)	22,019
Arkivum Limited	200,504	26,200	226,704
Atlas Genetics Limited	152,750	(137,174)	15,576
Azellon Limited	152,753	(130,350)	22,403
Boxarr Limited	30,550	26,767	57,317
Capsant Neurotechnologies Limited	50,003	(50,003)	-
Graphcore Limited	0	-	7,256
Ilika Technologies Limited	6,378	17,833	24,211
Imetrum Limited	130,020	-	130,020
Karus Therapeutics Limited	228,435	(8,924)	219,511
KWS Biotest Limited	30,500	274,500	305,000
Micrima Limited	152,750	(152,750)	-
Perpetuum Limited	395,695	28,086	423,781

THE WYVERN SEED FUND LIMITED PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016**

5. Investments (continued)

	Cost £	Unrealised gain/(loss) £	Valuation £
Revolymmer Limited	116,495	65,237	181,732
Stratophase Limited	91,653	(91,653)	-
Symetrica Limited	348,431	169,896	518,327
Xmos Limited	226,777	(191,470)	35,309
	<u>2,541,147</u>	<u>(359,239)</u>	<u>2,189,166</u>
Non-equity investments			
Epigen	20,000	(20,000)	-
Light Materials	50,000	(50,000)	-
	<u>70,000</u>	<u>(70,000)</u>	<u>-</u>

31 July 2015

	Cost £	Unrealised gain/(loss) £	Valuation £
Equity investments			
Apitope International Limited	219,947	(105,075)	114,872
Arkivum Limited	200,504	153,989	354,493
Atlas Genetics Limited	152,750	8,850	161,600
Azellon Limited	152,753	(130,349)	22,404
Boxarr (previously Plexus Planning Limited)	30,550	(11,347)	19,203
Capsant Neurotechnologies Limited	50,003	(50,003)	-
Ilika Technologies Limited	6,378	23,544	29,922
Imetrum Limited	130,020	-	130,020
Karus Therapeutics Limited	218,990	(20,288)	198,702
KWS Biotest Limited	30,500	213,500	244,000
Micrima Limited	152,750	(152,750)	-
Perpetuum Limited	360,693	29,379	390,072
Revolymmer Limited	116,495	170,083	286,578
Stratophase Limited	91,653	(91,653)	-
Symetrica Limited	348,431	169,893	518,324
Xmos Limited	226,777	(191,468)	35,309
	<u>2,489,194</u>	<u>16,305</u>	<u>2,505,499</u>
Non-equity investments			
Epigen	20,000	(20,000)	-
Light Materials	50,000	(50,000)	-
	<u>70,000</u>	<u>(70,000)</u>	<u>-</u>

THE WYVERN SEED FUND LIMITED PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016**

6. Creditors: amounts falling due within one year

	2016	2015
	£	£
Accruals	<u>57,238</u>	<u>8,016</u>

7. Reconciliation of operating loss to cash outflow from operating activities

	2016	2015
	£	£
Operating loss	(228,138)	(441,576)
Loss on disposal of investments	-	207,471
Interest received	(908)	(3,897)
Increase in creditors	49,221	6,200
	<hr/>	<hr/>
Net cash outflow from operating activities	<u>(179,825)</u>	<u>(231,802)</u>