

Company Registration No. 07877196 (England and Wales)

**AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A L M Delaporte Ms G L Sangudi Mr M D Verheijen Mr P C Botha Mr O Lawson Ms A N L Mustapha Mr P Backer Mr A Alsina Gonzalez Mr J B Rentschler Mr K Olokun-ola Mr A E Wyman Mr U O Nwuneli	(Appointed 25 April 2022) (Appointed 25 April 2022) (Appointed 25 April 2022) (Appointed 21 July 2022) (Appointed 21 July 2022) (Appointed 26 October 2022)
<b>Secretary</b>	MSP Corporate Services Limited	
<b>Company number</b>	07877196	
<b>Registered office</b>	37 North Row Third Floor London W1K 6DH United Kingdom	
<b>Auditors</b>	Mazars LLP 6 Sutton Plaza Sutton Court Road Sutton Surrey SM1 4FS	
<b>Business address</b>	37 North Row Third Floor London W1K 6DH United Kingdom	

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# **AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED**

## **CONTENTS**

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	<b>Page</b>
<b>Balance sheet</b>	<b>1</b>
<b>Notes to the financial statements</b>	<b>2 - 8</b>

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# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 \$	\$	2021 \$	\$
<b>Fixed assets</b>					
Intangible assets	3		348,116		195,652
Tangible assets	4		7,215		6,199
<b>Current assets</b>					
Debtors falling due after one year	5	45,216		45,216	
Debtors falling due within one year	5	197,699		85,285	
Cash on deposit		781,528		867,352	
Cash at bank and in hand		594,902		891,391	
		<u>1,619,345</u>		<u>1,889,244</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(752,786)</u>		<u>(1,004,256)</u>	
<b>Net current assets</b>			<u>866,559</u>		<u>884,988</u>
<b>Total assets less current liabilities</b>			<u>1,221,890</u>		<u>1,086,839</u>
<b>Reserves</b>					
Income and expenditure account			<u>1,221,890</u>		<u>1,086,839</u>

The directors of the company have elected not to include a copy of the income and expenditure account within the financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provision of FRS102 section 1A - small entities.

The financial statements were approved by the board of directors and authorised for issue on 1/5/2023 and are signed on its behalf by:

Mr P C Botha  
Director

Company Registration No. 07877196

# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

#### Company information

African Private Equity and Venture Capital Association Limited is a company limited by guarantee and domiciled and incorporated in England and Wales. The registered office is 37 North Row, Third Floor, London, W1K 6DH, United Kingdom.

The financial statements are prepared in US\$ which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$.

#### 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 have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption in FRS 102 from the requirement to produce a statement of cash flow on the grounds that it is a small company.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements. The Association currently has Reserves which will cover over 12 months of operational expenses. AVCA will continue to generate revenues from membership dues, events, training and grants whilst optimising its costs on an ongoing basis.

#### 1.3 Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before income is recognised:

#### Rendering of services

Income from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of income can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.4 Intangible fixed assets other than goodwill

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development consultancy cost.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use over their estimated useful economic life.

Development Costs

Amortised over 5 years

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5 years straight line
Plant and machinery	33% straight line
Fixtures, fittings & equipment	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.7 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.

##### *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.

##### *Impairment of financial assets*

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

##### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

##### *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.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors, 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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.

#### 1.8 Taxation

The company's trading activities are not subject to corporation tax, the company has been granted corporation tax exempt status by HM Revenue & Customs.

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

#### 1.10 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of comprehensive income in the year they are payable.

#### 1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to expense on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.12 Government grants

Government grants, which include amounts received under the Coronavirus Job Retention Scheme, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.13 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. All differences are taken to the statement of comprehensive income.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Administration	9	8
Directors	1	1
	<u>10</u>	<u>9</u>



# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Intangible fixed assets

	Development Costs
	\$
<b>Cost</b>	
At 1 January 2022	195,652
Additions	163,879
	<u>359,531</u>
At 31 December 2022	
<b>Amortisation and impairment</b>	
At 1 January 2022	-
Amortisation charged for the year	11,415
	<u>11,415</u>
At 31 December 2022	
<b>Carrying amount</b>	
At 31 December 2022	<u>348,116</u>
At 31 December 2021	<u>195,652</u>

The asset was under development and not ready for use until October 2022. Hence a full year's amortisation charge was not included in the year as explained in note 1.4.

### 4 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Total
	\$	\$	\$	\$
<b>Cost</b>				
At 1 January 2022	69,433	65,875	31,116	166,424
Additions	-	3,306	-	3,306
	<u>69,433</u>	<u>69,181</u>	<u>31,116</u>	<u>169,730</u>
At 31 December 2022				
<b>Depreciation and impairment</b>				
At 1 January 2022	66,809	62,300	31,116	160,225
Depreciation charged in the year	562	1,728	-	2,290
	<u>67,371</u>	<u>64,028</u>	<u>31,116</u>	<u>162,515</u>
At 31 December 2022				
<b>Carrying amount</b>				
At 31 December 2022	<u>2,062</u>	<u>5,153</u>	<u>-</u>	<u>7,215</u>
At 31 December 2021	<u>2,624</u>	<u>3,575</u>	<u>-</u>	<u>6,199</u>

# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Debtors

	2022	2021
	\$	\$
Amounts falling due within one year:		
Trade receivable	65,443	3,925
Other debtors	35,361	43,002
Prepayments and accrued income	96,895	38,358
	<u>197,699</u>	<u>85,285</u>
Amounts falling due after one year:		
Other debtors	<u>45,216</u>	<u>45,216</u>
Total debtors	<u>242,915</u>	<u>130,501</u>

The amount included in other debtors falling due after more than one year is the rent deposit.

### 6 Creditors: amounts falling due within one year

	2022	2021
	\$	\$
Trade creditors	67,033	4,747
Other creditors	46,610	12,010
Accruals and deferred income	639,143	987,499
	<u>752,786</u>	<u>1,004,256</u>

### 7 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding \$1.

### 8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Nicola Wakefield.

The auditor was Mazars LLP.

# AFRICAN PRIVATE EQUITY AND VENTURE CAPITAL ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **9 Operating lease commitments**

#### **Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Within one year	33,243	56,123
Between two and five years	-	37,416
	<u>33,243</u>	<u>93,539</u>