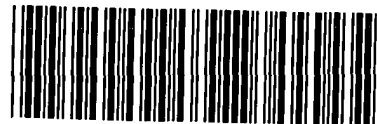


REGISTERED NUMBER: 10360684 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 31 December 2019
for
IP2IPO Portfolio (GP) Limited**

TUESDAY



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for the Year Ended 31 December 2019**

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IP2IPO Portfolio (GP) Limited

**Company Information
for the Year Ended 31 December 2019**

DIRECTORS:

A J Aubrey
D G Baynes
C E Glasson - appointed 26 March 2020
G Smith
M C N Townend

SECRETARY:

IP2IPO Services Limited

REGISTERED OFFICE:

The Walbrook Building
25 Walbrook
London
EC4N 8AF

REGISTERED NUMBER:

10360684 (England and Wales)

AUDITORS:

KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

IP2IPO Portfolio (GP) Limited (Registered number: 10360684)

**Report of the Directors
for the Year Ended 31 December 2019**

The directors present their report with the financial statements of the Company for the year ended 31 December 2019.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2019 (year ended 31 December 2018: £nil).

EVENTS SINCE THE END OF THE YEAR

As per note 12, at present, the Directors do not envisage the Covid-19 pandemic will result in a significant adverse impact for the Company, however given that the outcome of the Covid-19 pandemic is uncertain we acknowledge that a definitive assessment of its impact cannot be made at this time.

DIRECTORS

The directors during the year under review were:

A J Aubrey
D G Baynes
G Smith
M C N Townend
C E Glasson – appointed 26 March 2020

The directors holding office at 31 December 2019 did not hold any beneficial interest in the issued share capital of the Company at 1 January 2019 or 31 December 2019.

POLITICAL DONATIONS AND EXPENDITURE

During the year ended 31 December 2019, the Company made no political or charitable donations (year ended 31 December 2018: £nil).

GOING CONCERN

Notwithstanding net current liabilities, excluding debtors more than one year, of £8,524 as at 31 December 2019, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

After reviewing the cash flow forecasts for a period of at least 12 months, the directors are satisfied that taking account of reasonably possible downsides, including the potential impact of COVID-19, the Company will have sufficient funds to meet its liabilities as they fall due for that period. For this reason, the directors consider it appropriate to adopt the going concern basis in preparing these financial statements

The directors have considered the impact of the emergence and spread of COVID-19 and potential implications on future operations. Whilst there are significant wider market uncertainties which may impact the Company, the directors do not believe this will impact the ability of the Company to continue as a going concern for at least the next 12 months.

Those forecasts are dependent on Top Technology Ventures Limited not seeking repayment of the amounts currently due to the company, which at 31 December 2019 amounted to £8,525. Top Technology Ventures Limited has indicated via a letter of support that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

FUTURE OUTLOOK

As the Covid-19 virus has developed over recent months, the directors have been assessing the impact on the Company to ensure that such impacts are effectively managed.

Notwithstanding the potential impact of Covid-19, the directors believes that the Company will continue to operate satisfactorily for the foreseeable future.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

IP2IPO Portfolio (GP) Limited (Registered number: 10360684)

**Report of the Directors (continued)
for the Year Ended 31 December 2019**

AUDITORS

The auditor KPMG LLP is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'G Smith', is written over a horizontal line.

G Smith - Director

19 May 2020

**Statement of Directors' Responsibilities
for the Year Ended 31 December 2019**

The directors are responsible for preparing the Report of the Directors 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**Report of the Independent Auditors to the Members of
IP2IPO Portfolio (GP) Limited (Registered number: 10360684)**

Opinion

We have audited the financial statements of IP2IPO Portfolio (GP) Limited ("the Company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 a sufficient and appropriate 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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. 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. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Other information

The directors are responsible for the other information, which comprises the report of the directors and the statement of directors' responsibilities. Our opinion on the financial statements does not cover the other information and, accordingly, 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 other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the directors' report and the statement of directors' responsibilities 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

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.

We have nothing to report in these respects.

Responsibilities of directors

As explained more fully in their statement set out on page 4, the directors 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 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.

**Report of the Independent Auditors to the Members of
IP2IPO Portfolio (GP) Limited (Registered number: 10360684)**

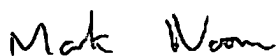
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

This report is made solely to the 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.



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

Date: 19/05/2020

IP2IPO Portfolio (GP) Limited (Registered number: 10360684)

**Statement of Comprehensive Income
for the Year Ended 31 December 2019**

	Notes	2019 £	2018 £
TURNOVER		10,000	10,000
Administrative expenses		<u>-</u>	<u>(4,275)</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION	4	10,000	5,725
Tax on profit	6	<u>1,435</u>	<u>(2,695)</u>
PROFIT FOR THE FINANCIAL YEAR		11,435	3,030
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>11,435</u>	<u>3,030</u>

The notes on pages 10 to 13 form part of these financial statements

IP2IPO Portfolio (GP) Limited (Registered number: 10360684)**Balance Sheet
31 December 2019**

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors: amounts falling due within one year	7	1	1
Debtors: amounts falling due after more than one year	7	<u>33,333</u>	<u>23,333</u>
		33,334	23,334
CREDITORS			
Amounts falling due within one year	8	<u>8,525</u>	<u>8,525</u>
NET CURRENT ASSETS		<u>24,809</u>	<u>14,809</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		24,809	14,809
CREDITORS			
Amounts falling due after more than one year	9	<u>2,049</u>	<u>3,484</u>
NET ASSETS		<u>22,760</u>	<u>11,325</u>
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Retained earnings		<u>22,759</u>	<u>11,324</u>
SHAREHOLDERS' FUNDS		<u>22,760</u>	<u>11,325</u>

The financial statements were approved by the Board of Directors on 19 May 2020 and were signed on its behalf by:



G Smith - Director

IP2IPO Portfolio (GP) Limited (Registered number: 10360684)

**Statement of Changes in Equity
for the Year Ended 31 December 2019**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	1	8,294	8,295
Changes in equity			
Total comprehensive income	<u>-</u>	<u>3,030</u>	<u>3,030</u>
Balance at 31 December 2018	<u>1</u>	<u>11,324</u>	<u>11,325</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>11,435</u>	<u>11,435</u>
Balance at 31 December 2019	<u><u>1</u></u>	<u><u>22,759</u></u>	<u><u>22,760</u></u>

The notes on pages 10 to 13 form part of these financial statements

IP2IPO Portfolio (GP) Limited (Registered number: 10360684)

Notes to the Financial Statements for the Year Ended 31 December 2019

1. STATUTORY INFORMATION

IP2IPO Portfolio (GP) Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

The principal activity of IP2IPO Portfolio (GP) Limited (the "Company") during the year was the management of IP2IPO Portfolio L.P. (the "Partnership"), a limited partnership which funds the formation, building and development of spin-out companies specialising in the commercialisation of scientific innovations developed at leading universities and research institutions in the UK with a view to making a profit. The Company has assigned its parent company, Top Technology Ventures Limited to act as "Operator" and has appointed IP Group plc to advise on and manage the investments of the Partnership.

2. ACCOUNTING POLICIES

Basis of preparation

The Financial Statements of IP2IPO Portfolio (GP) Limited (the "Company") are for the year ended 31 December 2019. The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures: a Cash Flow Statement and related notes; disclosures in respect of transactions with wholly owned subsidiaries; disclosures in respect of capital management; the effects of new but not yet effective IFRSs; and disclosures of transactions with a management entity that provides key management personnel services to the Company. The Company has also applied the exemption from the requirements of IFRS 7 Financial Instruments: Disclosures, the equivalent disclosures are included in the IP Group plc consolidated financial statements.

Changes in accounting policies

(i) New standards, interpretations and amendments effective from 1 January 2019

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2019 that have had a material impact on the Company's financial statements.

(ii) New standards, interpretations and amendments not yet effective

No new standards, interpretations and amendments not yet effective are expected to have a material effect on the Company's future financial statements.

Going concern

Notwithstanding net current liabilities, excluding debtors more than one year, of £8,524 as at 31 December 2019, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

After reviewing the cash flow forecasts for a period of at least 12 months, the directors are satisfied that taking account of reasonably possible downsides, including the potential impact of COVID-19, the Company will have sufficient funds to meet its liabilities as they fall due for that period. For this reason, the directors consider it appropriate to adopt the going concern basis in preparing these financial statements.

The directors have considered the impact of the emergence and spread of COVID-19 and potential implications on future operations. Whilst there are significant wider market uncertainties which may impact the Company, the directors do not believe this will impact the ability of the Company to continue as a going concern for at least the next 12 months.

Those forecasts are dependent on Top Technology Ventures Limited not seeking repayment of the amounts currently due to the company, which at 31 December 2019 amounted to £8,525. Top Technology Ventures Limited has indicated via a letter of support that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Fund management services

Fund management fees include fiduciary fund management fees which are generally earned as a fixed fee and are recognised as the related services are provided.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

2. ACCOUNTING POLICIES - continued

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax

Provision is made in full for deferred tax liabilities that arise from timing differences where transactions or events, that result in an obligation to pay more tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised to the extent that it is considered more likely than not that they will be recoverable. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are not discounted.

Related party transactions

In accordance with IAS 24 "Related Parties Disclosures", the Company discloses details of material transactions between the reporting entity and related parties. However, transactions between the Company and other Group companies have not been disclosed in accordance with the exemption in IAS 24 paragraph 16.

3. EMPLOYEES AND DIRECTORS

During the year the Company had no employees (2018: none). The directors were remunerated for their services to other group companies within the group headed by the Company's ultimate parent, IP Group plc. The directors of the Company chose to waive any remuneration during the year ended 31 December 2019, for their services to this entity.

4. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging/(crediting):

	2019 £	2018 £
Management fee	(10,000)	(10,000)
Auditors' remuneration	<u>-</u>	<u>2,000</u>

5. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>4,000</u>	<u>2,000</u>

The above fee was paid by Top Technology Ventures Limited on behalf of the Company.

6. TAXATION

Analysis of tax (income)/expense

	2019 £	2018 £
Deferred tax	<u>(1,435)</u>	<u>2,695</u>
Total tax (income)/expense in statement of comprehensive income	<u>(1,435)</u>	<u>2,695</u>

IP2IPO Portfolio (GP) Limited (Registered number: 10360684)

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

6. TAXATION - continued

Factors affecting the tax (income)/expense

The tax assessed for the year is lower (2018 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before income tax	<u>10,000</u>	<u>5,725</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	1,900	1,088
Effects of:		
Income not taxable for tax purposes	(3,504)	-
Deferred tax rate movement	169	(318)
Income and expenses transferred from IP2IPO Portfolio LP	<u>-</u>	<u>1,925</u>
Tax (income)/expense	<u>(1,435)</u>	<u>2,695</u>

7. DEBTORS

	2019 £	2018 £
Amounts falling due within one year:		
Called up share capital not paid	<u>1</u>	<u>1</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>33,333</u>	<u>23,333</u>
Aggregate amounts	<u>33,334</u>	<u>23,334</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Amounts owed to group undertakings	8,525	-
Accruals and deferred income	<u>-</u>	<u>8,525</u>
	<u>8,525</u>	<u>8,525</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Deferred tax liability	<u>2,049</u>	<u>3,484</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
1	Ordinary	1	<u>1</u>	<u>1</u>

11. RELATED PARTY DISCLOSURES

As the Company is a wholly owned subsidiary of IP Group plc, the Company has taken advantage of the exemption contained in IAS24 and has therefore not disclosed transactions or balances with entities which form part of the IP Group plc group.

12. EVENTS AFTER THE REPORTING PERIOD

At present, the Directors do not envisage the Covid-19 pandemic will result in a significant adverse impact for the Company, however given that the outcome of the Covid-19 pandemic is uncertain we acknowledge that a definitive assessment of its impact cannot be made at this time.

13. IMMEDIATE AND ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent company is Top Technology Ventures Limited and the ultimate controlling party is considered to be IP Group plc. Copies of the ultimate parent company's financial statements may be obtained from the secretary of IP Group plc, The Walbrook Building, 25 Walbrook, London, EC4N 8AF.