

E-Synergy NI General Partner Limited

Report And Financial Statements

31 December 2015

TUESDAY



A5GEOZN7

A37

27/09/2016

#135

COMPANIES HOUSE

COMPANY INFORMATION

Directors	P Downes M Bowman (appointed 15 January 2015)
Registered office	Midtown Business Centre 25 Talbot Street Belfast BT1 2LD
Accountants	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Lloyds TSB Strand Branch Villiers House 48-49 Strand London WC2N 5LL
Registered number	NI070198

DIRECTORS' REPORT

For the year ended 31 December 2015

The directors present their report and the unaudited financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the company is to act as the general partner of a number of investment funds. These funds constitute qualifying partnerships and in accordance with Statutory Instrument 'The Partnership (Accounts) Regulations 2008 ('SI 2008/569')' their financial statements have been appended to these accounts for filing with the Registrar.

Directors

The directors who served during the year were:

R A Armstrong (resigned 15 January 2015)

P Downes

M Bowman (appointed 15 January 2015)

Directors' responsibilities statement

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 judgments 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.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

26/9/2016

and signed on its behalf.



M Bowman
Director

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2015

	Note	2015 £	2014 £
TURNOVER	1	283,250	331,250
Administrative expenses		(283,322)	(331,310)
		<u> </u>	<u> </u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(72)	(60)
Tax on loss on ordinary activities		-	-
		<u> </u>	<u> </u>
LOSS FOR THE FINANCIAL YEAR	6	<u> </u> <u> </u>	<u> </u> <u> </u>

The notes on pages 4 to 6 form part of these financial statements.

BALANCE SHEET
As at 31 December 2015

	Note	£	2015 £	£	2014 £
CURRENT ASSETS					
Debtors	3	263,001		62,001	
Cash in hand		53		25	
		<u>263,054</u>		<u>62,026</u>	
CREDITORS: amounts falling due within one year	4	<u>(263,400)</u>		<u>(62,300)</u>	
NET CURRENT LIABILITIES			<u>(346)</u>		<u>(274)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(346)</u>		<u>(274)</u>
CAPITAL AND RESERVES					
Called up share capital	5		1		1
Profit and loss account	6		<u>(347)</u>		<u>(275)</u>
SHAREHOLDERS' DEFICIT			<u>(346)</u>		<u>(274)</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2015 and of its loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

26 September 2016.



M Bowman
Director

The notes on pages 4 to 6 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Going concern

The company is currently in litigation with one of the Limited Partners of the funds it manages. The costs of the litigation are estimated to be approximately £263,000 as at 31 December 2015. This amount has been accrued. A corresponding debtor has been posted as the directors are confident that the company will be successful in the litigation and will be able to recover the costs from the Limited Partner. Should the Limited Partner be successful in the litigation this may impact the company's ability to continue as a going concern. The directors however, have reasonable grounds to believe that the Limited Partner will continue to meet its commitments as they fall due and accordingly that the company can continue to meet its commitment to pay management fees to E-Synergy Limited. Accordingly the directors have prepared these financial statements on a going concern basis. No estimate has been made of the effect should this assumption prove to be incorrect.

1.3 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.4 Turnover

Turnover represents the company's profit share from the funds for which it acts as general partner, or non-returnable advances received against those profit shares, for the year.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.6 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. LOSS

During the year, no director received any emoluments (2014 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

3. DEBTORS

	2015 £	2014 £
Amounts owed by related undertakings	1	62,001
Other debtors	263,000	-
	<u>263,001</u>	<u>62,001</u>

4. CREDITORS:

Amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	400	62,300
Other creditors	263,000	-
	<u>263,400</u>	<u>62,300</u>

5. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

6. RESERVES

	Profit and loss account £
At 1 January 2015	(275)
Loss for the financial year	(72)
	<u> </u>
At 31 December 2015	<u>(347)</u>

7. RELATED PARTY TRANSACTIONS

The Company is the general partner of Queen's University of Belfast Innovation Fund LP, Ulster Innovation Fund LP and Invest Growth Fund LP. Turnover includes £17,625 (2014: £17,625), £17,625 (2014: £17,625) and £248,000 (2014: £296,000) derived from these funds respectively. Nil (2014: £62,000) was outstanding at the year end.

Administrative expenses include £283,250 (2014: £331,250) paid to E-Synergy Limited, the parent company, under the terms of the management agreement between the company and E-Synergy Limited. £400 (2014: £62,300) was due to the parent at the year end.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

8. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and controlling party is E-Synergy Limited, a company incorporated in England and Wales.

Invest Growth Fund LP
Report And Financial Statements
31 December 2015

Rees Pollock
Chartered Accountants

Invest Growth Fund LP

PARTNERSHIP INFORMATION

Principal Place of Business	Marlborough House 30 Victoria Street Belfast BT1 3GS
Registered number	NL000060
General Partner	E-Synergy NI General Partner Limited
General Partner's Registered office	Midtown Business Centre 25 Talbot Street Belfast BT1 2LD
Limited Partner ("the Investor")	Invest Northern Ireland
Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Lloyds TSB Villiers House 48-49 Strand London WC2N 5LL
Manager	E-Synergy Limited Innovation Warehouse 1 East Poultry Avenue London EC1A 9PT

Invest Growth Fund LP

GENERAL PARTNER'S REPORT For the year ended 31 December 2015

The General Partner presents its report and the audited financial statements for the year ended 31 December 2015.

Objectives

Invest Growth Fund LP (the Partnership) was established in the UK by a Limited Partnership Agreement dated 22 October 2008.

The Manager of the Partnership is E-Synergy Limited ("E-Synergy"). E-Synergy is responsible for the management, operation and administration of the Partnership in accordance with the Limited Partnership Agreement and a management agreement between the Manager and the General Partner.

The Partnership's purpose is to carry on the business of an investor in accordance with its Investment Policy and in particular but without limitation to identify, research and negotiate investment opportunities and make and monitor the progress of and arrange the sale of equity and equity-related investments which shall include but shall not be limited to the purchase, acquisition, sale and disposal of ordinary shares, preference shares, debentures, loan stocks, other securities, options and warrants of and in unquoted SMEs with the general objectives of investing in Northern Ireland in a range of technology sectors that exhibit significant growth potential and to hold investments until market success adds demonstrable value.

Principal activities

The principal business of the partnership is to raise a fund to make equity and equity-related investments in connection with providing seed capital and other early stage funding to the technology sector with a particular focus on manufacturing and private tradable services.

Event of default

During the prior year, Invest NI failed to comply with a Quarterly Drawdown Notice issued by the General Partner on behalf of the Fund, and did not rectify this failure within the timeframe specified by clause 4.4 of the Limited Partnership Agreement. Accordingly, Invest NI became a Defaulting Investor with the consequence that its Capital Contribution is forfeited and its rights are limited to repayment of its Loan Commitment.

Furthermore, as a Defaulting Investor, Invest NI shall have no right to attend or vote at any meeting of the Partners or to participate in any written resolutions or consents of the Investors or the Partnership and its Commitment shall be excluded from the calculation of Total Commitments for the purpose of determining the level of an Investors' Consent.

General Partner

The General Partner who served during the year was:

E-Synergy NI General Partner Limited

General Partner's responsibilities statement

The General Partner is responsible for preparing the General Partner's report and the financial statements in accordance with the Limited Partnership Agreement, United Kingdom Financial Reporting Standards and the Companies Act 2006 as applied to Limited Partnerships by Statutory Instrument 'The Partnership (Accounts) Regulations 2008 ('SI 2008/569')'.

GENERAL PARTNER'S REPORT

For the year ended 31 December 2015

Company law requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has 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 General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the LP and of the profit or loss of the LP for that period. In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 LP will continue in business.

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

Disclosure of information to auditors

The General Partner at the time when this General Partner's report is approved has confirmed that:

- so far as it is aware, there is no relevant audit information of which the LP's auditors are unaware, and
- it has taken all the steps that ought to have been taken as a General Partner in order to be aware of any relevant audit information and to establish that the LP's auditors are aware of that information.

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on 24 March 2016 and signed on its behalf.



M Bowman
as director of
E-Synergy NI General Partner Limited
General Partner

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF INVEST GROWTH FUND LP

We have audited the financial statements of Invest Growth Fund LP for the year ended 31 December 2015, set out on pages 4 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the LP'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 LP's members those matters we are required to state to them in an Auditors' 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 LP and the LP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of General Partner and auditors

As explained more fully in the General Partner's responsibilities statement, the General Partner 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 the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Partner; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the General Partner's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the General Partner's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the General Partner's report.

Simon Rees (Senior statutory auditor)
for and on behalf of
Rees Pollock, Statutory Auditor

29 March 2016

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2015

	Note	2015 £	2014 £
Administrative expenses		-	(69)
Exceptional administrative expenses	2	(263,000)	-
Total administrative expenses		(263,000)	(69)
OPERATING LOSS		(263,000)	(69)
Loss on disposal of investments		(51,000)	-
Interest receivable and similar income		448	722
Amounts written off investments		(1,627,321)	(667,481)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,940,873)	(666,828)
Tax on loss on ordinary activities		-	-
LOSS FOR THE FINANCIAL YEAR	3,9	(1,940,873)	(666,828)

The notes on pages 7 to 12 form part of these financial statements.

Invest Growth Fund LP

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2015

	Note	2015 £	2014 £
LOSS FOR THE FINANCIAL YEAR		(1,940,873)	(666,828)
Unrealised movement on revaluation of fixed asset investments		<u>(719,830)</u>	<u>695,410</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u><u>(2,660,703)</u></u>	<u><u>28,582</u></u>

The notes on pages 7 to 12 form part of these financial statements.

BALANCE SHEET
As at 31 December 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Investments	4		3,257,791		5,695,941
CURRENT ASSETS					
Debtors	5	40		62,040	
Cash at bank		515,851		414,236	
		515,891		476,276	
CREDITORS: amounts falling due within one year	6	(325,000)		(62,832)	
NET CURRENT ASSETS			190,891		413,444
TOTAL ASSETS LESS CURRENT LIABILITIES			3,448,682		6,109,385
CREDITORS: Partnership loan account					
	7		9,041,401		8,793,401
CAPITAL AND RESERVES					
Capital contributions	8	99		99	
Revaluation reserve	9	61,800		781,630	
Other reserves	9	(2,041,500)		(1,793,500)	
Profit and loss account	9	(3,613,118)		(1,672,245)	
			(5,592,719)		(2,684,016)
			3,448,682		6,109,385

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 March 2016.



M Bowman
as director of
E-Synergy NI General Partner Limited
General Partner

The notes on pages 7 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

They have been prepared in accordance with the Companies Act 2006 as applied to Limited Partnerships by Statutory Instrument 'The Partnership (Accounts) Regulations 2008 (SI 2008/569)'.

1.2 Going concern

The Partnership is reliant upon the Limited Partner continuing to meet its commitments in order to pay the priority profit share to the General Partner. These financial statements have been prepared on a going concern basis on the assumption that the commitments from the Limited Partner will be forthcoming.

1.3 Cash flow

The financial statements do not include a Cash flow statement because the Partnership, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.4 Investments

Investments held as fixed assets are shown at the investment committee's valuation as permitted under the alternative accounting rules of the Companies Act 2006.

The valuations of investments are conducted by the investment committee. In valuing investments the investment committee applies guidelines issued by the British Venture Capital Association (BVCA). The following valuation methodology has been used in reaching fair values of investments, all of which are companies in the early stages of growth:

Investments are valued at cost, unless there has been a significant round of new equity finance in which case the investment is valued at the price paid by an independent third-party. Where subsequent events or changes to circumstances indicate that impairment may have occurred, the carrying value is reduced to reflect the estimated extent of impairment.

All investments in portfolio companies are held as a means to benefit from increases in their marketable value and not as a medium through which the business of the Partnership is carried out. Therefore they are not accounted for as associates.

1.5 Taxation

The Partnership is a transparent entity and is not subject to UK income tax. Where relevant for UK tax purposes the Investor is required to report on its tax return its share of the income, gains, losses, deductions and credits of the Partnership. The Investor is taxable on Partnership income or gain whether or not any distribution of money or property is made to the Investor during the fiscal year. It is possible that the Investor's tax liability related to transactions by the Partnership could exceed amounts distributed to the Investor in a particular year.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

2. EXCEPTIONAL ADMINISTRATIVE EXPENSES

The General Partner has commenced an action against the Limited Partner for late payment of a drawdown as described in the General Partner's report. Legal and other fees of approximately £99,000 are estimated to have been incurred in the year by the General Partner in respect of this action which can be reclaimed from the Partnership. This amount has been accrued in the year. £43,140 of the above amount was charged by Seven Acres Consultants, the sole proprietor of which is P Downes, a director of the General Partner.

In addition to this, the Limited Partner has commenced an action against the General Partner for various causes including bad faith. Legal and other fees of approximately £164,000 are estimated to have been incurred in the year by the General Partner in respect of this. The General Partner does not believe this case has any merit and is confident of successfully defending it. In this event, the amounts can be reclaimed from the Partnership and so have been accrued in the year. £31,440 of the above amount was charged by Seven Acres Consultants, the sole proprietor of which is P Downes, a director of the General Partner.

The estimated costs to completion in addition to the above are £250,000.

3. LOSS FOR THE FINANCIAL YEAR

The loss for the year has been allocated between the Partners in accordance with the Limited Partnership Agreement as follows:

As at 31 December	2015 £	2014 £
General Partner's income account	(1,940,873)	(666,828)
Limited Partner's income account	-	-
Total	<u>(1,940,873)</u>	<u>(666,828)</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

4. FIXED ASSET INVESTMENTS

	Unlisted investments £
Cost or valuation	
At 1 January 2015	7,188,861
Disposals	(91,000)
Revaluations	(719,830)
At 31 December 2015	<u>6,378,031</u>
Impairment	
At 1 January 2015	1,492,920
Charge for the year	1,627,320
At 31 December 2015	<u>3,120,240</u>
Net book value	
At 31 December 2015	<u><u>3,257,791</u></u>
At 31 December 2014	<u><u>5,695,941</u></u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

4. FIXED ASSET INVESTMENTS (continued)

During the year, the investment committee undertook a desktop valuation of the investments based on recent material arms-length transactions by a third party in the shares of the investee companies, as allowed under BVCA guidelines. The net book value of the investments held at the year end together with the directors' valuations and any gains or losses are disclosed below:

	Historic Cost £	Desk Top Valuation £	2015 revaluation/ (impairment) £	Cumulative revaluation/ (impairment) £
AirPOS	245,001	245,001	-	-
Anacko Limited	180,000	180,000	-	-
Astute Labs Limited	70,252	7,025	-	(63,227)
Audit comply	140,000	140,000	-	-
Axis Three Limited	50,000	-	-	(50,000)
Bragbet Limited	400,000	-	(40,000)	(400,000)
Farmvet Systems Limited	302,000	302,000	-	-
Food Doodle Limited	122,500	12,250	-	(110,250)
Get Invited Limited	122,400	61,200	(61,200)	(61,200)
Go Prezzo	359,800	-	(24,483)	(359,800)
I Love QC Limited	99,992	49,996	(49,996)	(49,996)
IAR Technologies Limited	210,000	210,000	-	-
LifeScienceHub UK Limited	126,000	7,400	-	(118,600)
Just Live a Little Limited	95,000	95,000	-	-
Mobile Report Limited	404,417	37,692	(445,268)	(366,725)
Omgito Limited	22,000	11,000	(11,000)	(11,000)
PathXL Limited	274,989	335,309	-	60,320
Performanceactive International Limited	139,800	139,800	-	-
Performa Sports Limited	124,932	126,412	-	1,480
Replify Limited	250,850	250,850	125,426	-
Rockstar Data Storage Limited	287,500	55,207	(496,858)	(232,293)
Salt VPN	220,000	220,000	-	-
Sembarc Limited	250,000	25,001	(225,005)	(225,000)
Sensumco Limited	379,800	379,800	(133,200)	-
Shotclip	200,000	100,000	(100,000)	(100,000)
Siansplan Limited	100,000	10,351	(93,166)	(89,649)
Simple Zebra	70,000	7,000	(63,000)	(63,000)
StreamOn.net Limited	100,000	-	-	(100,000)
The Weatherbies Limited	40,000	4,000	(6,000)	(36,000)
TreatTicket Limited	189,000	-	(88,900)	(189,000)
Together Save	300,000	-	(540,000)	(300,000)
Treze Limited	234,998	234,998	-	-
Vykson Limited	100,000	-	-	(100,000)
Wraith Intelligentsia Limited	105,000	10,500	(94,500)	(94,500)
Total	6,316,231	3,257,791	(2,347,150)	(3,058,440)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

5. DEBTORS

	2015 £	2014 £
Amounts owed by Limited Partner	-	62,000
Other debtors	40	40
	<u>40</u>	<u>62,040</u>

6. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Amounts owed to Partners	62,000	62,000
Other creditors	263,000	832
	<u>325,000</u>	<u>62,832</u>

7. CREDITORS: Amounts falling due after more than one year

	2015 £	2014 £
Limited Partners' loans	9,041,401	8,793,401

On 19 March 2013 a supplemental deed to the Limited Partnership Agreement was signed extending the total commitment from £7,291,250 to £9,868,750.

The Limited Partner's loan commitments and contributions to the Partnership are as follows:

	2015 £	2014 £
Loans drawn down as at 31 December	9,041,401	8,793,401
Set-up costs paid direct to the Manager and included in total commitments	176,250	176,250
Uncalled commitments	650,974	898,974
Total commitments	<u>9,868,625</u>	<u>9,868,625</u>

8. CAPITAL CONTRIBUTION ACCOUNT

The capital contributions to the Partnership, fully paid, were as follows:

	2015 £	2014 £
Limited partner's capital contributions		
Invest NI	99	99

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

9. RESERVES

	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 January 2015	781,630	(1,793,500)	(1,672,245)
Loss for the financial year	-	-	(1,940,873)
Revaluation of investments	(719,830)	-	-
Amounts advanced to General Partner	-	(248,000)	-
At 31 December 2015	<u>61,800</u>	<u>(2,041,500)</u>	<u>(3,613,118)</u>

Other reserves represent amounts advanced to the General Partner. The General Partner is entitled to receive a General Partner's Share payable quarterly in advance in January, April, July and October each year. Under an amendment to the LP agreement made in March 2013, management fees are payable as follows:

£110,000 per quarter from 1 January 2013 to 31 March 2014
£62,000 per quarter from 1 April 2014 to 31 March 2017
£43,250 per quarter from 1 April 2017 to 31 March 2018
£42,000 per quarter thereafter.

During the year to 31 December 2014 the following amounts were distributable to the General Partner:

Date	Details	£
1 January 2015	First quarter management fee	62,000
1 April 2015	Second quarter management fee	62,000
1 July 2015	Third quarter management fee	62,000
1 October 2015	Fourth quarter management fee	62,000
	Total for the year ended 31 December 2015	<u>248,000</u>
	Total amounts distributed or distributable as at 1 January 2015	<u>1,793,500</u>
	Total amounts distributed or distributable as at 31 December 2015	<u><u>2,041,500</u></u>

10. RECONCILIATION OF PARTNERS' FUNDS

	£
Partners' interests brought forward	6,109,385
Loss for the year	(1,940,873)
Loans from Limited Partners	248,000
Amounts advanced to General Partner	(248,000)
Revaluation of investments	(719,830)
Partners' interests carried forward	<u><u>3,448,682</u></u>

Ulster Innovation Fund LP

Report And Financial Statements

31 December 2015

Rees Pollock
Chartered Accountants

Ulster Innovation Fund LP

PARTNERSHIP INFORMATION

Principal Place of Business	Marlborough House 30 Victoria Street Belfast BT1 3GS
Registered number	NL000064
General Partner	E-Synergy NI General Partner Limited
General Partner's Registered Office	Midtown Business Centre 25 Talbot Street Belfast BT1 2LD
Limited Partners	Invest Northern Ireland University of Ulster
Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Lloyds TSB Villiers House 48-49 Strand London WC2N 5LL
Manager	E-Synergy Limited Innovation Warehouse 1 East Poultry Avenue London EC1A 9PT

GENERAL PARTNER'S REPORT
For the year ended 31 December 2015

The General Partner presents its report and the audited financial statements for the year ended 31 December 2015.

Objectives

Ulster Innovation Fund LP (the Partnership) was established in the UK by a Limited Partnership Agreement dated 21 September 2009.

The Manager of the Partnership is E-Synergy Limited ("E-Synergy"). E-Synergy is responsible for the management, operation and administration of the Partnership in accordance with the Limited Partnership Agreement and a management agreement between the Manager and the General Partner.

The purpose of the Partnership is to carry on the business of an investor in accordance with the Investment Policy and in particular but without limitation to identify, research and negotiate investment opportunities and make and monitor the progress of and arrange the sale of equity and equity-related Investments which shall include but shall not be limited to the purchase, acquisition, sale and disposal of ordinary shares, preference shares, debentures, loan stocks, other securities, options and warrants of and in investments until market success adds demonstrable value.

Principal activities

The principal business of the partnership is to raise a fund to make equity and equity-related investments in connection with providing seed corn funds for the development of post-research spin-out companies from the University of Ulster, particularly in the technology sectors strongly related to the University of Ulster research base.

Event of default

During the prior year, Invest NI failed to comply with a Quarterly Drawdown Notice issued by the General Partner on behalf of the Fund, and did not rectify this failure within the timeframe specified by clause 4.4 of the Limited Partnership Agreement. Accordingly, Invest NI became a Defaulting Investor with the consequence that its Capital Contribution is forfeited and its rights are limited to repayment of its Loan Commitment after all other Investors have received full repayment of their Loans.

Furthermore, as a Defaulting Investor, Invest NI shall have no right to attend or vote at any meeting of the Partners or to participate in any written resolutions or consents of the Investors or the Partnership and its Commitment shall be excluded from the calculation of Total Commitments for the purpose of determining the level of an Investors' Consent.

General Partner

The General Partner who served during the year was:

E-Synergy NI General Partner Limited

GENERAL PARTNER'S REPORT

For the year ended 31 December 2015

General Partner's responsibilities statement

The General Partner is responsible for preparing the General Partner's report and the financial statements in accordance with the Limited Partnership Agreement, United Kingdom Financial Reporting Standards and the Companies Act 2006 as applied to Limited Partnerships by Statutory Instrument 'The Partnership (Accounts) Regulations 2008 ('SI 2008/569')'.

Company law requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has 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 General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 partnership will continue in business.

The General Partner 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 him to ensure that the financial statements comply with the Companies Act 2006. He 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.

Disclosure of information to auditors

The General Partner at the time when this General Partner's report is approved has confirmed that:

- so far as it is aware, there is no relevant audit information of which the partnership's auditors are unaware, and
- it has taken all the steps that ought to have been taken as a General Partner in order to be aware of any relevant audit information and to establish that the partnership's auditors are aware of that information.

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on 24 March 2016 and signed on its behalf.



M Bowman
as director of
E-Synergy NI General Partner Limited
General Partner

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF ULSTER INNOVATION FUND LP

We have audited the financial statements of Ulster Innovation Fund LP for the year ended 31 December 2015, set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the partnership'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 partnership's members those matters we are required to state to them in an Auditors' 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 partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of General Partner and auditors

As explained more fully in the General Partner's responsibilities statement, the General Partner 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 the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Partner; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the General Partner's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the General Partner's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the General Partner's report.

Simon Rees (Senior statutory auditor)
for and on behalf of
Rees Pollock, Statutory Auditor
29 March 2016

Ulster Innovation Fund LP

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2015

	Note	2015 £	2014 £
Interest receivable and similar income		3	4
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3	4
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	8	3	4
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 6 to 9 form part of these financial statements.

BALANCE SHEET
As at 31 December 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Investments	3		1,000,000		1,000,000
CURRENT ASSETS					
Debtors	4	24	-		
Cash at bank		6,731	2,370		
		<u>6,755</u>	<u>2,370</u>		
CREDITORS: amounts falling due within one year	5	(4,406)	(24)		
NET CURRENT ASSETS			2,349		2,346
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,002,349</u>		<u>1,002,346</u>
CREDITORS: amounts falling due after more than one year					
	6		1,180,643		1,163,018
CAPITAL AND RESERVES					
Capital contribution	7	13	13		
Other reserves	8	(180,656)	(163,031)		
Profit and loss account	8	2,349	2,346		
			<u>(178,294)</u>		<u>(160,672)</u>
			<u>1,002,349</u>		<u>1,002,346</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 March 2016.



M Bowman
as director of
E-Synergy NI General Partner Limited
General Partner

The notes on pages 6 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

They have been prepared in accordance with the Companies Act 2006 as applied to Limited Partnerships by Statutory Instrument 'The Partnership (Accounts) Regulations 2008 (SI 2008/569)'.

1.2 Going concern

The Partnership is reliant upon the Limited Partner continuing to meet its commitments in order to pay the priority profit share to the General Partner. These financial statements have been prepared on a going concern basis on the assumption that the commitments from the Limited Partner will be forthcoming.

1.3 Cash flow

The financial statements do not include a Cash flow statement because the partnership, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.4 Investments

Investments held as fixed assets are shown at the investment committee's valuation, as permitted by the alternative accounting rules of the Companies Act 2006.

The valuations of investments are conducted by the investment committee. In valuing investments the investment committee applies guidelines issued by the British Venture Capital Association (BVCA). The following valuation methodology has been used in reaching fair values of investments, all of which are companies in the early stages of growth:

Investments are valued at cost, unless there has been a significant round of new equity finance in which case the investment is valued at the price paid by an independent third-party. Where subsequent events or changes to circumstances indicate that impairment may have occurred, the carrying value is reduced to reflect the estimated extent of impairment.

All investments in portfolio companies are held as a means to benefit from increases in their marketable value and not as a medium through which the business of the partnership is carried out. Therefore they are not accounted for as associates.

1.5 Taxation

The Partnership is a transparent entity and is not subject to UK income tax. Where relevant for UK tax purposes the Investor is required to report on its tax return its share of the income, gains, losses, deductions and credits of the Partnership. The Investor is taxable on Partnership income or gain whether or not any distribution of money or property is made to the Investor during the fiscal year. It is possible that the Investor's tax liability related to transactions by the Partnership could exceed amounts distributed to the Investor in a particular year.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

2. PROFIT FOR THE FINANCIAL YEAR

The profit for the year has been allocated between the Partners in accordance with the Limited Partnership Agreement as follows:

	2015 £	2014 £
General Partner's income account	3	4
Limited Partners' income account	-	-
	<u>3</u>	<u>4</u>

3. FIXED ASSET INVESTMENTS

	Unlisted investments £
Cost or valuation	
At 1 January 2015 and 31 December 2015	<u>1,000,000</u>
Net book value	
At 31 December 2015	<u>1,000,000</u>
At 31 December 2014	<u>1,000,000</u>

During the year, the directors undertook a desktop valuation of the investments based on recent material arms-length transactions by a third party in the shares of the investee companies, as allowed under BVCA guidelines. The net book value of the investments held at the year end together with the directors' valuations and any gains or losses are disclosed below:

	Historic Cost b/f £	Additions £	Desktop Valuation £	Gain/(Loss) £
Hidinimage Limited	210,000	-	210,000	-
Surf-Spec Limited	200,000	-	200,000	-
Vifkon Limited	200,000	-	200,000	-
Solaform Limited	190,000	-	190,000	-
Tactility Factory Limited	200,000	-	200,000	-
Total	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>

4. DEBTORS

	2015 £	2014 £
Other debtors	<u>24</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

5. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Other creditors	4,406	24

6. CREDITORS:
Amounts falling due after more than one year

	2015	2014
	£	£
Partner loans	1,180,643	1,163,018

The Limited Partners' loan commitments and contributions to the Partnership were as follows at 31 December:

	2015	2014
	£	£
Loans drawn down as at 31 December	1,180,643	1,163,018
Set-up costs paid direct to the Manager and included in total commitments	88,125	88,125
Uncalled commitments	66,094	83,719
Total commitments	1,334,862	1,334,862

The loans drawn down (including set up costs paid direct to the Manager) to 31 December 2014 were as follows:

	%	Total loan commitment	Contributions to date
		£	£
Invest NI	25	334,872	268,778
University of Ulster	75	999,990	999,990
Total	100	1,334,862	1,268,768

7. CAPITAL CONTRIBUTION ACCOUNT

	2015	2014
	£	£
Limited Partner's Capital contributions		
University of Ulster	10	10
Invest NI	3	3
	13	13

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

8. RESERVES

	Other reserves £	Profit and loss account £
At 1 January 2015	(163,031)	2,346
Profit for the financial year	-	3
Movement on other reserves	(17,625)	-
At 31 December 2015	<u>(180,656)</u>	<u>2,349</u>

Other reserves represent amounts advanced to the General Partner. The General Partner is entitled to receive a General Partner's Share payable quarterly in advance in January, April, July and October each period (per agreement dated September 2009). This share equals £8,813 per quarter during the first 4 years and £4,406 thereafter.

During the year to 31 December 2015 the following amounts were distributable to the General Partner:

Date	Details	£
1 January 2015	First quarter management fee	4,406
1 April 2015	Second quarter management fee	4,406
1 July 2015	Third quarter management fee	4,406
1 October 2015	Fourth quarter management fee	4,407
	Total for the year ended 31 December 2015	<u>17,625</u>
	Total amounts distributed or distributable as at 1 January 2015	<u>163,031</u>
	Total amounts distributed or distributable at 31 December 2015	<u><u>180,656</u></u>

9. RECONCILIATION OF PARTNERS' FUNDS

	£
Partners' interest brought forward	1,002,346
Profit for the year	3
Loans from Limited Partners	17,625
Amounts advanced to General Partner	(17,625)
Partners' interest carried forward	<u><u>1,002,349</u></u>

Queen's University of Belfast Innovation Fund LP

Report And Financial Statements

31 December 2015

Rees Pollock
Chartered Accountants

PARTNERSHIP INFORMATION

Principal place of Business	Marlborough House 30 Victoria Street Belfast BT1 3GS
Registered number	NL000065
General Partner	E-Synergy NI General Partner Limited
General Partner's Registered Office	Midtown Business Centre 25 Talbot Street Belfast BT1 2LD
Limited Partners	Invest Northern Ireland Queen's University of Belfast
Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Lloyds TSB Villiers House 48-49 Strand London WC2N 5LL
Manager	E-Synergy Limited Innovation Warehouse 1 East Poultry Avenue London EC1A 9PT

GENERAL PARTNER'S REPORT

For the year ended 31 December 2015

The General Partner presents its report and the audited financial statements for the year ended 31 December 2015.

Objectives

Queen's University of Belfast Innovation Fund LP (the Partnership) was established in the UK by a Limited Partnership Agreement dated 21 September 2009.

The Manager of the Partnership is E-Synergy Limited ("E-Synergy"). E-Synergy is responsible for the management, operation and administration of the Partnership in accordance with the Limited Partnership Agreement and a management agreement between the Manager and the General Partner.

The purpose of the Partnership is to carry on the business of an investor in accordance with the Investment Policy and in particular but without limitation to identify, research and negotiate investment opportunities and make and monitor the progress of and arrange the sale of equity and equity-related Investments which shall include but shall not be limited to the purchase, acquisition, sale and disposal of ordinary shares, preference shares, debentures, loan stocks, other securities, options and warrants of and in investments until market success adds demonstrable value.

Principal activities

The principal business of the partnership is to raise a fund to make equity and equity-related investments in connection with providing seed corn funds for the development of post-research spin-out companies from the Queen's University of Belfast, particularly in the technology sectors strongly related to the Queen's University of Belfast research base.

Event of default

During the prior year, Invest NI failed to comply with a Quarterly Drawdown Notice issued by the General Partner on behalf of the Fund, and did not rectify this failure within the timeframe specified by clause 4.4 of the Limited Partnership Agreement. Accordingly, Invest NI became a Defaulting Investor with the consequence that its Capital Contribution is forfeited and its rights are limited to repayment of its Loan Commitment after all other Investors have received full repayment of their Loans.

Furthermore, as a Defaulting Investor, Invest NI shall have no right to attend or vote at any meeting of the Partners or to participate in any written resolutions or consents of the Investors or the Partnership and its Commitment shall be excluded from the calculation of Total Commitments for the purpose of determining the level of an Investors' Consent.

General Partner

The General Partner who served during the year was:

E-Synergy NI General Partner Limited

GENERAL PARTNER'S REPORT
For the year ended 31 December 2015

General Partner's responsibilities statement

The General Partner is responsible for preparing the General Partner's report and the financial statements in accordance with the Limited Partnership Agreement, United Kingdom Financial Reporting Standards and the Companies Act 2006 as applied to Limited Partnerships by Statutory Instrument 'The Partnership (Accounts) Regulations 2008 ('SI 2008/569')'.

Company law requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has 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 General Partner must not approve the financial statements unless it is 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 General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 General Partner is 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 him to ensure that the financial statements comply with the Companies Act 2006. It is 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.

Disclosure of information to auditors

The General Partner at the time when this General Partner's report is approved has confirmed that:

- so far as it is aware, there is no relevant audit information of which the company's auditors are unaware, and
- it has taken all the steps that ought to have been taken as a General Partner in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on 24 March 2016 and signed on its behalf.



M Bowman
as director of
E-Synergy NI General Partner Limited
General Partner

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF QUEEN'S UNIVERSITY BELFAST INNOVATION FUND LP

We have audited the financial statements of Queen's University of Belfast Innovation Fund LP for the year ended 31 December 2015, set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Auditors' 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 General Partner and auditors

As explained more fully in the General Partner's responsibilities statement, the General Partner 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 the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Partner; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the General Partner's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the General Partner's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the General Partner's report.

Simon Rees (Senior statutory auditor)
for and on behalf of
Rees Pollock, Statutory Auditor
29 March 2016

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2015

	Note	2015 £	2014 £
Interest receivable and similar income		14	34
Amounts written off investments		(200,000)	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(199,986)	34
Tax on (loss)/profit on ordinary activities		-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	8	(199,986)	34

The notes on pages 7 to 10 form part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2015

	2015	2014
	£	£
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(199,986)	34
Unrealised surplus on revaluation of fixed asset investments	-	35,520
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(199,986)	35,554

The notes on pages 7 to 10 form part of these financial statements.

BALANCE SHEET
As at 31 December 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Investments	3		958,303		1,158,303
CURRENT ASSETS					
Debtors	4	24		-	
Cash at bank		5,779		1,418	
		<u>5,803</u>		<u>1,418</u>	
CREDITORS: amounts falling due within one year	5	(4,406)		(35)	
NET CURRENT ASSETS			<u>1,397</u>		<u>1,383</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>959,700</u>		<u>1,159,686</u>
CREDITORS: amounts falling due after more than one year					
	6		1,181,643		1,164,018
CAPITAL AND RESERVES					
Capital contributions	7	13		13	
Revaluation reserve	8	158,515		158,515	
Other reserves	8	(180,656)		(163,031)	
Profit and loss account	8	<u>(199,815)</u>		<u>171</u>	
			<u>(221,943)</u>		<u>(4,332)</u>
			<u>959,700</u>		<u>1,159,686</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 March 2016.



M Bowman
as director of
E-Synergy NI General Partner Limited
General Partner

The notes on pages 7 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

They have been prepared in accordance with the Companies Act 2006 as applied to Limited Partnerships by Statutory Instrument 'The Partnership (Accounts) Regulations 2008 ('SI 2008/569')'.

1.2 Going concern

The Partnership is reliant upon the Limited Partner continuing to meet its commitments in order to pay the priority profit share to the General Partner. These financial statements have been prepared on a going concern basis on the assumption that the commitments from the Limited Partner will be forthcoming.

1.3 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.4 Investments

Fixed asset investments are shown at the investment committee's valuation, as permitted by the alternative accounting rules of the Companies Act 2006.

The valuations of investments are conducted by the investment committee. In valuing investments the investment committee applies guidelines issued by the British Venture Capital Association (BVCA). The following valuation methodology has been used in reaching fair values of investments, all of which are companies in the early stages of growth:

Investments are valued at cost, unless there has been a significant round of new equity finance in which case the investment is valued at the price paid by an independent third-party. Where subsequent events or changes to circumstances indicate that impairment may have occurred, the carrying value is reduced to reflect the estimated extent of impairment.

All investments in portfolio companies are held as a means to benefit from increases in their marketable value and not as a medium through which the business of the partnership is carried out. Therefore they are not accounted for as associates.

1.5 Taxation

The Partnership is a transparent entity and is not subject to UK income tax. Where relevant for UK tax purposes the Investor is required to report on its tax return its share of the income, gains, losses, deductions and credits of the Partnership. The Investor is taxable on Partnership income or gain whether or not any distribution of money or property is made to the Investor during the fiscal year. It is possible that the Investor's tax liability related to transactions by the Partnership could exceed amounts distributed to the Investor in a particular year.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

2. PROFIT FOR THE FINANCIAL YEAR

The profit for the year has been allocated between the Partners in accordance with the Limited Partnership Agreement as follows:

	2015 £	2014 £
General Partner's income account	14	34
Limited Partners' income account	-	-
	<u>14</u>	<u>34</u>

3. FIXED ASSET INVESTMENTS

	Unlisted investments £
Cost or valuation	
At 1 January 2015 and 31 December 2015	<u>1,158,303</u>
Impairment	
At 1 January 2015	-
Charge for the year	<u>200,000</u>
At 31 December 2015	<u>200,000</u>
Net book value	
At 31 December 2015	<u>958,303</u>
At 31 December 2014	<u>1,158,303</u>

During the year, the investment committee undertook a desktop valuation of the investments based on recent material arms-length transactions by a third party in the shares of the investee companies, as allowed under BVCA guidelines. The net book value of the investments held at the year end together with the directors' valuations and any gains or losses are disclosed below:

	Historic cost b/f £	Additions £	Desktop valuation £	2015 revaluation/ (impairment) £	Cumulative revaluation/ (impairment) £
Althexon Limited	200,000	-	-	(200,000)	(200,000)
Analytics Engines Limited	199,998	-	322,993	-	122,995
Adoreboard Limited	349,790	-	385,310	-	35,520
MOF Technologies Limited	200,000	-	200,000	-	-
Tactility Factory Limited	50,000	-	50,000	-	-
Total	<u>999,788</u>	<u>-</u>	<u>958,303</u>	<u>(200,000)</u>	<u>(41,485)</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

4. DEBTORS

	2015	2014
	£	£
Other debtors	24	-

5. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Other creditors	4,406	35

6. CREDITORS:
Amounts falling due after more than one year

	2015	2014
	£	£
Partner loans	1,181,643	1,164,018

The Limited Partners' loan commitments and contributions to the Partnership were as follows at 31 December:

	2015	2014
	£	£
Loans drawn down at 31 December	1,181,643	1,164,018
Set-up costs paid direct to the Manager and included in total commitments	88,125	88,125
Uncalled commitments	65,094	82,719
Total commitments	1,334,862	1,334,862

The loans drawn down (including set up costs paid direct to the Manager) to 31 December 2015 were as follows:

	%	Total loan commitment	Contributions to date
		£	£
Invest NI	25	334,872	269,778
Queen's University of Belfast	75	999,990	999,990
Total	100	1,334,862	1,269,768

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2015

7. CAPITAL CONTRIBUTION ACCOUNT

	2015 £	2014 £
Allotted, called up and fully paid		
Queen's University of Belfast	10	10
Invest NI	3	3
	<u>13</u>	<u>13</u>

8. RESERVES

	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 January 2015	158,515	(163,031)	171
Loss for the financial year	-	-	(199,986)
Movement on other reserves	-	(17,625)	-
	<u>158,515</u>	<u>(180,656)</u>	<u>(199,815)</u>

Other reserves represent amounts advanced to the General Partner. The General Partner is entitled to receive a General Partner's Share payable quarterly in advance in January, April, July and October each period (per agreement dated September 2009). This share equals £8,813 per quarter during the first 4 years and £4,406 thereafter.

During the year to 31 December 2015 the following amounts were distributable to the General Partner:

Date	Details	£
1 January 2015	First quarter management fee	4,406
1 April 2015	Second quarter management fee	4,406
1 July 2015	Third quarter management fee	4,406
1 October 2015	Fourth quarter management fee	4,407
	Total for the year ended 31 December 2015	<u>17,625</u>
	Total amounts distributed or distributable as at 1 January 2015	<u>163,031</u>
	Total amounts distributed or distributable at 31 December 2015	<u><u>180,656</u></u>

9. RECONCILIATION OF PARTNERS' FUNDS

	£
Partners' interest brought forward	1,159,686
Loss for the year	(199,986)
Loan from Limited Partners	17,625
Amounts advanced to General Partner	(17,625)
	<u>959,700</u>