

BLAKENEY LLP
(Company No. OC308139)

MEMBERS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2020



29/09/20

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BLAKENEY LLP

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BLAKENEY LLP**PARTNERSHIP INFORMATION****MEMBERS:**

M Q Morland
O J Ogbunude
C Romer
K A A Biobaku (resigned 31 March 2020)
L Burns (resigned 1 July 2019)
J Mumo

REGISTERED OFFICE:

29 Chelsea Wharf
Lots Road
London
SW10 0QJ

BANKERS:

C Hoare & Co
37 Fleet Street
London
EC4P 4DQ

SOLICITORS:

Forsters LLP
31 Hill Street
London
W1J 5LS

AUDITOR:

Rawlinson & Hunter Audit LLP
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

BLAKENEY LLP

MEMBERS' REPORT

The members submit their report and the financial statements of Blakeney LLP ("the LLP") for the year ended 31 March 2020. These financial statements consolidate the financial statements for the LLP and its subsidiary undertakings, Blakeney General Partners III Limited and Blakeney General Partners IV Limited, collectively referred to as "the Group", drawn up to 31 March 2020.

INCORPORATION

The LLP was incorporated under the Limited Liability Partnerships Act 2000 on 26 May 2004 and was authorised and regulated by the Financial Services Authority from 1 April 2005 to 31 March 2013 and has been authorised and regulated by the Financial Conduct Authority ("FCA") since 1 April 2013.

MEMBERS

The members during the year are listed on page 1.

The designated members during the year were C Romer and O J Ogbunude.

M Q Morland, O J Ogbunude, C Romer, J Mumo and K A A Biobaku (up to 31 March 2020) were joint managing members.

MEMBERS' RESPONSIBILITIES STATEMENT

The members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

Company law, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008, requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102. Under company law, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008, the members 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 LLP and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP or the Group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BLAKENEY LLP

MEMBERS' REPORT (continued)

PRINCIPAL ACTIVITY

The principal activity of the LLP is to provide investment management services.

RESULTS

The results for the year are shown in the Consolidated Group Statement of Comprehensive Income on page 12. The members are of the opinion that the statements of financial position as shown on pages 13 to 16 show a satisfactory position.

BUSINESS REVIEW

During the year the LLP continued to provide investment management services to various entities established outside the United Kingdom in accordance with its agreements with those entities. The nature of those services requires the LLP to be authorised and regulated in the UK by the Financial Conduct Authority ("FCA") and to bear the resulting administration costs associated with maintaining that registration.

The costs of the LLP including members remuneration paid under an employment contract decreased during 2020 from £3,813,132 (as restated – refer Note 3) to £3,564,057 due to decreases in staff costs, travel costs and solicitation fees.

Profit available for discretionary division among members is allocated based upon the LLP profits (Note 16) rather than the Group profits (as detailed in the Consolidated Group Statement of Comprehensive Income). This decreased in the year to £2,660,604 (2019 - £4,175,052 as restated – refer Note 3).

The LLP's financial position remains strong, retaining significant cash reserves in relation to its overhead commitments. This is considerably in excess of the FCA's solvency requirements.

The Covid-19 pandemic that has taken hold throughout the world will undoubtedly have an effect on all entities in a wide ranging manner, potentially affecting their operational capability, liquidity and financial position. The members have considered the implications and have put in place business continuity plans that should allow the LLP and Group to continue in operation. However, the pandemic is still at an early stage and Government policy is constantly evolving. Accordingly, they are unable to assess the full potential impact but are keeping the matter under constant review.

PILLAR 3 DISCLOSURE

Introduction

The Capital Requirements Directive ("CRD") of the European Union, which was implemented in the UK by the FCA, sets out the regulatory framework for Banks, Building Societies and Investment Firms across Europe. The framework consists of three pillars:

- Pillar 1 covers the minimum capital requirement;
- Pillar 2 deals with the Internal Capital Adequacy Assessment Process ("ICAAP") undertaken by the firm to assess whether additional capital is required over and above Pillar 1; and
- Pillar 3 covers the requirement to publish information regarding a firm's risk management processes and capital resources. The Pillar 3 disclosure of the LLP is set out below.

The LLP reports to the FCA as an entity and also on a consolidated basis including its wholly owned subsidiaries, Blakeney General Partners III Limited and Blakeney General Partners IV Limited, which are fully consolidated.

BLAKENEY LLP

MEMBERS' REPORT (continued)

PILLAR 3 DISCLOSURE (continued)

Risk Management

Risk framework

The LLP is a discretionary investment management firm providing services to professional clients.

The members of the LLP have daily management and oversight responsibility. They determine the business strategy and risk appetite and have designed and implemented a risk management framework that recognises the risks that the business faces. The members also determine how these risks may be mitigated and assess the controls and procedures necessary to manage those risks on an ongoing basis.

The members have assessed business and operational risks in the LLP's Internal Capital Adequacy Assessment Process ("ICAAP") and set out appropriate actions to manage them.

The LLP does not have a trading book and its general approach is to maintain capital at a level well in excess of its minimum capital requirement and to mitigate risks wherever possible.

The members consider the following as key risks to the business:

Business risk

The key business risk is a reduction in funds under management following a market downturn, severe recession or loss of clients resulting in lower revenues. This risk was assessed as part of the ICAAP. Management decided it was appropriate to hold an additional capital buffer as contingency against operational risks.

Operational risk (including pandemic risk)

This is the risk to the LLP arising from running the business. It is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This would include its Disaster Recovery solutions and IT systems. This risk was assessed as part of the ICAAP. Management decided it was appropriate to hold an additional capital buffer as contingency against operational risks.

Market risk/Foreign exchange risk

The LLP is exposed to movement in foreign exchange rates as a result of fees denominated in foreign currencies. However, the members do not consider that the LLP is exposed to significant foreign exchange risk. Should the need arise the members will consider the need to protect the LLP's exposure by using the most cost-efficient method available to the LLP to minimise the risk and cost to the LLP. The consolidated market risk consists of a foreign currency positional risk requirement of £28,000.

Credit risk

The LLP is primarily exposed to credit risk from the risk of non-collection of investment management fees. The LLP does not consider that it has significant exposure to credit risk as all its clients must abide by the terms of the management agreements in relation to the payment of fees that are due to the LLP and payment of fees due to the LLP are remitted on a regular basis in line with those agreements. In addition, the LLP holds all cash balances only at banks with high credit ratings. The LLP has adopted the standardised approach using the simplified method of calculating risk weightings and the consolidated credit risk requirement amounts to £117,000.

BLAKENEY LLP

MEMBERS' REPORT (continued)

PILLAR 3 DISCLOSURE (continued)

Credit risk calculation

Credit risk capital requirement	Rule	Capital component
Credit risk capital component	BIPRU 3.2	£117,000
Counterparty risk capital component	BIPRU 13 & 14	£0
Concentration risk capital component	BIPRU 10	£0
Total		£117,000

Exposure class	Rule	Exposure	Risk weight	Risk weighted exposure amount
UK institutions in sterling with original effective maturity of three months or less	BIPRU 3.5.5R	£2,779,000	20%	£556,000
Institutions – other exposures	BIPRU 3.5.5R	£346,000	100%	£346,000
Corporates	BIPRU 3.5.5R	£555,000	100%	£555,000
Total		£3,680,000		£1,457,000
Credit risk capital component	8% of risk weighted exposure			£117,000

Liquidity risk

The LLP manages the liquidity position with the objective of maintaining the FCA's solvency requirements that the LLP must meet in order to maintain its FCA registration.

Capital Resources Requirements

Pillar 1 – minimum capital requirements

The LLP is categorised as a collective portfolio management investment ("CPMI") firm and must hold own funds equal to the higher of the GENPRU and BIPRU requirement for a limited licence firm (i.e. the higher of a base capital requirement of €50,000; its fixed overhead requirement ("FOR"); or the sum of credit risk and market risk) and the following own funds requirement:

- the higher of (i) €125,000 plus 0.02 per cent of the portfolio of relevant AIFs under management over €250m and (ii) its FOR; and
- an additional professional negligence capital requirement of 0.01% of the value of assets under management in AIFs.

It is subject to market and credit risk and the LLP has adopted the simplified standardised approach to credit risk, applying 8% to the firm risk weighted exposure amounts, consisting mainly of investment management and performance fees due but not received and bank balances.

BLAKENEY LLP

MEMBERS' REPORT (continued)

PILLAR 3 DISCLOSURE (continued)

It is the firm's experience that its consolidated capital requirement normally consists of its FOR, although market and credit risks are reviewed periodically.

The minimum capital requirement as at 31 March 2020 is therefore based on the Fixed Overhead Requirement.

Pillar 2 – ICAAP

Pillar 2 capital is calculated by the LLP as representing any additional capital to be maintained against any risks not adequately covered under the Pillar 1 requirement as part of its ICAAP. The LLP has adopted the "Pillar 1 Plus" approach to the calculation of its ICAAP Capital Resources.

The approach of the LLP to assessing the adequacy of its internal capital to support current and future activities is contained in the ICAAP. This process includes an assessment of the specific risks to the LLP and the internal controls in place to mitigate those risks. Finally, an assessment is made of the probability of occurrence and the potential impact in order to arrive at a level of required capital, as relevant. Stress and scenario tests have been conducted to ensure that the processes, strategies and systems are comprehensive and robust.

The ICAAP is formally reviewed and approved by the Designated Members annually but will be revised should there be any material changes to the firm's business or risk profile.

Consolidated Capital Resources

The consolidated regulatory capital resources and requirements as at 31 March 2020 are as follows:

	£ (000's)
Tier 1 capital: members' capital, audited reserves	3,965
Deductions from Tier 1 capital	<u>(592)</u>
Total Tier 1 after deductions	3,373
Tier 2 capital	<u>-</u>
Tier 1 and 2 capital after deductions	3,373
Tier 3 capital	<u>-</u>
Total capital	3,373
Deductions from total capital: illiquid assets	<u>(257)</u>
Total capital after deductions	3,116
Total capital resources requirement	<u>(769)</u>
Surplus of own funds	<u>2,347</u>

BLAKENEY LLP

MEMBERS' REPORT (continued)

REMUNERATION CODE DISCLOSURE

The remuneration policy is the responsibility of the members of the LLP who ensure that remuneration arrangements are consistent with, and promote, effective risk management. The LLP takes a conservative approach to remuneration.

Remuneration policy applicable to members

Members' remuneration is a share of the financial year profits as per the audited LLP accounts. Before each financial year end, the members collegially decide upon the share of profits for each member for the coming financial year. Members are entitled to make drawings on a monthly basis ("priority drawings") in anticipation of their profit entitlements for the year.

Any member remuneration drawn before the financial year end can be clawed back in part or in full to the LLP should a significant unforeseen liability arise for the LLP during the remainder of the financial year.

Remuneration policy applicable to non-members

The LLP's policy is to offer competitive salaries, which are reviewed annually. Bonuses are decided by the members taking into account individual performance against objectives and the overall profits of the LLP, which are linked closely to the performance of its clients' portfolios as well as non-financial objectives such as compliance with the LLP's procedures and regulatory requirements. Bonuses are only paid out of profit and normally amount to up to 15% of total profit. No bonus will be paid if the LLP is loss making.

Quantitative information on remuneration

The LLP considers that it has a single business area (investment management services). The figures below include the members' priority drawings (refer below).

Aggregate quantitative information on remuneration, for the purposes of the Code, for the year ended 31 March 2020 is as follows:

	£ (000's)
Aggregate remuneration for all staff including Code Staff	1,877
Aggregate remuneration for all Code Staff	<u>1,516</u>

MEMBERS' DRAWINGS AND CAPITAL

The managing members participate fully in the LLP's profits, share the risks and subscribe to the LLP's capital. Profit or loss allocations are not specified within the LLP deed but are determined at the discretion of the Managing members, M Q Morland, O J Ogbunude, C Romer, K A A Biobaku (up to 31 March 2020) and J Mumo who use a range of factors, including performance, in determining the allocations. The entirety of the profit for the year is available for discretionary allocation.

BLAKENEY LLP

MEMBERS' REPORT (continued)

MEMBERS' DRAWINGS AND CAPITAL (continued)

Members are permitted to receive drawings from the LLP to the extent of the profits allocated to them including an amount of fixed monthly drawings which is agreed annually ('priority drawings'). The timing and amount of those drawings depends upon the level of activity within the LLP and the overriding cash requirements of the business. Details of the profit share attributable to the member with the largest entitlement is disclosed in Note 7. Any member remuneration drawn before the financial year end (including priority drawings) can be clawed back in part or in full to the LLP should a significant unforeseen liability for the LLP arise during the remainder of the financial year.

An individual member's capital requirement is linked to the financial requirements of the LLP. No interest is due on capital accounts.

Members' subscriptions and repayments of capital, if any, and profit allocations and drawings are disclosed in Note 16.

STEWARDSHIP CODE DISCLOSURES

The Stewardship Code was published by the Financial Reporting Council ('FRC'), the UK's independent regulator responsible for promoting high quality corporate governance and reporting in order to foster investment. The Stewardship Code sets out good practice for institutional investors in their dealings with the companies in which they have invested.

The FCA's regulations outline the LLP's obligations in relation to the Stewardship Code and for firms which manage assets for corporate professional clients to disclose to these clients the nature of their commitment to the Stewardship Code or where it does not commit to the Stewardship Code its alternative business model.

The LLP aims to apply the principles of the FRC's Stewardship Code in all markets in which it operates and insofar as it applies to the LLP's activities. The LLP's stewardship responsibilities and how it meets the requirements of the Stewardship Code are explained in a statement on the LLP's website.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are members at the time when the report is approved has confirmed that


- so far as the member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- each of the members have taken all the steps that they ought to have taken as a member to be aware of any information needed by the LLP's auditors in connection with preparing their report and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Rawlinson & Hunter Audit LLP, have expressed their willingness to continue in office. A resolution proposing their re-appointment will be presented at a meeting of the members.

This report was approved by the members and signed on their behalf by

C Romer
Designated Member
Date


08.07.20

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

BLAKENEY LLP

We have audited the financial statements of Blakeney LLP ("the LLP") and its subsidiary undertakings ("the Group") for the year ended 31 March 2020 which comprise the Consolidated Group Statement of Comprehensive Income, the Consolidated Group and LLP Statements of Financial Position, the Consolidated and LLP Statement of Changes in Equity, the Consolidated Group Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and LLP's affairs as at 31 March 2020, and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP's and Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The members are responsible for the other information. The other information comprises the information included in the Members' Report and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BLAKENEY LLP (continued)

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 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; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the members' responsibilities statement set out on page 2, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the LLP's and Group'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 the members either intend to liquidate the LLP and Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

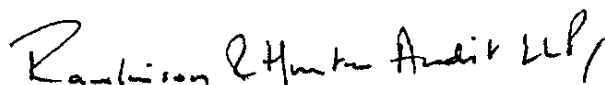
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****BLAKENEY LLP (continued)****Auditor's responsibilities for the audit of the financial statements (continued)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kulwam Nagra (Senior Statutory Auditor)
For and on behalf of
RAWLINSON & HUNTER AUDIT LLP
Statutory Auditor and Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Date: 8 July 2020

BLAKENEY LLP
CONSOLIDATED GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	*As restated 2019 £
TURNOVER	3,5		
Management fee income		6,303,097	7,687,703
Incentive allocation		103,108	1,145,407
		<u>6,406,205</u>	<u>8,833,110</u>
EXPENSES			
Administrative expenses		(3,564,057)	(3,578,894)
Payments to former members	7	(124,041)	(603,382)
		<u></u>	<u></u>
OPERATING PROFIT	6	2,718,107	4,650,834
Interest receivable	9	-	1,626
Gain/(loss) on foreign exchange		14,924	(6,194)
Loss on revaluation of investments	11	(262,319)	(54,418)
		<u>2,470,712</u>	<u>4,591,848</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES			
Members' remuneration charged as an expense	7	(45,863)	(457,331)
		<u></u>	<u></u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	16	2,424,849	4,134,517
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Exchange differences on retranslation of subsidiary undertakings	11,16	25,639	35,291
		<u>25,639</u>	<u>35,291</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>£2,450,488</u></u>	<u><u>£4,169,808</u></u>

* Refer to Note 3 for details of the restatement.

The notes on pages 20 to 37 form part of these financial statements

BLAKENEY LLP
(Company Number OC308139)
CONSOLIDATED GROUP STATEMENT OF FINANCIAL POSITION

31 MARCH 2020

	Notes	2020	*As restated 2019
		£	£
FIXED ASSETS			
Tangible assets	10	54,136	44,911
Investments	11	202,696	439,376
		<u>256,832</u>	<u>484,287</u>
CURRENT ASSETS			
Debtors	12	1,956,236	2,590,304
Cash at bank and in hand	15	3,124,764	3,177,817
		<u>5,081,000</u>	<u>5,768,121</u>
CREDITORS - amounts falling due within one year	13	(439,633)	(584,790)
NET CURRENT ASSETS		<u>4,641,367</u>	<u>5,183,331</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,898,199</u>	<u>5,667,618</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS	16	<u>£4,898,199</u>	<u>£5,667,618</u>
REPRESENTED BY: MEMBERS' OTHER INTERESTS			
Members' capital classified as equity		450,000	450,000
Members' other reserves classified as equity			
Members' reserves		5,073,199	5,967,618
Other reserves		(625,000)	(750,000)
TOTAL MEMBERS' OTHER INTERESTS	16	<u>£4,898,199</u>	<u>£5,667,618</u>

BLAKENEY LLP
(Company Number OC308139)
CONSOLIDATED GROUP STATEMENT OF FINANCIAL POSITION (continued)

* 31 MARCH 2020

	Notes	£	2020 £	*As restated 2019 £	£
TOTAL MEMBERS' INTERESTS					
Amount due from members	12		(1 400 762)	(1 702 860)	
Total members' other interests			4 898 199	5 667 618	
TOTAL MEMBERS' INTERESTS	16		£3 497 437	£3 964 758	

The financial statements were approved and authorised for issue by the members and were signed on their behalf by

C Romer
Designated Member
Date


08.07.20

* Refer to Note 3 for details of the restatement

The notes on pages 20 to 37 form part of these financial statements

BLAKENEY LLP
(Company Number OC308139)
LLP STATEMENT OF FINANCIAL POSITION

31 MARCH 2020

	Notes	£	2020	£	*As restated 2019	£
FIXED ASSETS						
Tangible fixed assets	10			54,136		44,911
Shares in subsidiary undertakings	11			35,000		35,000
				<u>89,136</u>		<u>79,911</u>
CURRENT ASSETS						
Debtors	12	1,912,726			2,613,181	
Cash at bank and in hand	15	2,642,542			2,627,416	
				<u>4,555,268</u>	<u>5,240,597</u>	
CREDITORS - amounts falling due within one year	13	(385,074)			(501,875)	
NET CURRENT ASSETS				<u>4,170,194</u>		<u>4,738,722</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS	16			<u>£4,259,330</u>		<u>£4,818,633</u>
REPRESENTED BY:						
MEMBERS' OTHER INTERESTS						
Members' capital classified as equity				450,000		450,000
Members' other reserves classified as equity						
Members' reserves				4,434,330		5,118,633
Other reserves				(625,000)		(750,000)
TOTAL MEMBERS' OTHER INTERESTS	16			<u>£4,259,330</u>		<u>£4,818,633</u>

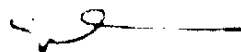
BLAKENEY LLP
(Company Number OC308139)
LLP STATEMENT OF FINANCIAL POSITION (continued)

31 MARCH 2020

	Notes	£	2020	£	£	*As restated 2019	£
TOTAL MEMBERS' INTERESTS							
Amount due from members	12		(1 400,762)			(1 702 860)	
Total members' other interests			4,259,330			4 818,633	
TOTAL MEMBERS' INTERESTS	16		£2 858 567			£3,115 773	

The financial statements were approved and authorised for issue by the members and were signed on their behalf by

C Romer
 Designated Member
 Date



08.07.20

* Refer to Note 3 for details of the restatement.

The notes on pages 20 to 37 form part of these financial statements

BLAKENEY LLP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Members' capital £	Members' reserve £	Other reserves £	Total equity £
Balance at 1 April 2018	450,000	7,941,691	(2,500,000)	5,891,691
Prior period restatement *	-	(1,625,000)	1,625,000	-
Restated balance at 1 April 2018	450,000	6,316,691	(875,000)	5,891,691
Profit for the year (as restated *)	-	4,134,517	-	4,134,517
Other comprehensive income for the year	-	35,291	-	35,291
Amortisation of other reserve	-	-	125,000	125,000
Allocated profit	-	(4,518,881)	-	(4,518,881)
Balance at 31 March 2019	450,000	5,967,618	(750,000)	5,667,618
Profit for the year	-	2,424,849	-	2,424,849
Other comprehensive income for the year	-	25,639	-	25,639
Amortisation of other reserve	-	-	125,000	125,000
Allocated profit	-	(3,344,907)	-	(3,344,907)
Balance at 31 March 2020	<u>£450,000</u>	<u>£5,073,199</u>	<u>£(625,000)</u>	<u>£4,898,199</u>

* Refer to Note 3 for details of the restatement.

The notes on pages 20 to 37 form part of these financial statements

LLP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Members' capital £	Members' reserve £	Other reserves £	Total equity £
Balance at 1 April 2018	450,000	7,087,462	(2,500,000)	5,037,462
Prior period restatement *	-	(1,625,000)	1,625,000	-
Restated balance at 1 April 2018	450,000	5,462,462	(875,000)	5,037,462
Profit for the year (as restated *)	-	4,175,052	-	4,175,052
Amortisation of other reserve	-	-	125,000	125,000
Allocated profit	-	(4,518,881)	-	(4,518,881)
Balance at 31 March 2019	450,000	5,118,633	(750,000)	4,818,633
Profit for the year	-	2,660,604	-	2,660,604
Amortisation of other reserve	-	-	125,000	125,000
Allocated profit	-	(3,344,907)	-	(3,344,907)
Balance at 31 March 2020	<u>£450,000</u>	<u>£4,434,330</u>	<u>£(625,000)</u>	<u>£4,259,330</u>

* Refer to Note 3 for details of the restatement.

The notes on pages 20 to 37 form part of these financial statements

BLAKENEY LLP
CONSOLIDATED GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	* As restated 2019 £
Cash flow from operating activities		
Profit for the year	2,424,849	4,134,517
<i>Adjustments to reconcile profit for the year to net cash flows from operating activities</i>		
Members' remuneration charged as an expense	45,863	457,331
Interest received	-	(1,626)
Foreign exchange (gain)/loss	(14,924)	6,194
Loss on revaluation of investments	262,319	54,418
Depreciation	31,255	21,833
Amortisation	125,000	125,000
Decrease in debtors	331,970	203,135
Decrease in creditors	(145,157)	(268,601)
Net cash flows from operating activities	<u>3,061,175</u>	<u>4,732,201</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(40,480)	(27,089)
Interest received	-	1,626
Realisation of investments	-	-
Net cash flow used in investing activities	<u>(40,480)</u>	<u>(25,463)</u>
Cash flows from financing activities		
Members' drawings	(3,088,672)	(4,406,244)
Net cash flow used in financing activities	<u>(3,088,672)</u>	<u>(4,406,244)</u>
Net (decrease)/increase in cash in the year	(67,977)	300,494
Cash and cash equivalents at beginning of year	3,177,817	2,883,517
Exchange gains/(losses) on cash and cash equivalents	14,924	(6,194)
Cash and cash equivalents at end of year	<u>£3,124,764</u>	<u>£3,177,817</u>
Cash and cash equivalents comprise		
Cash at bank and in hand	<u>£3,124,764</u>	<u>£3,177,817</u>

* Refer to Note 3 for details of the restatement.

The notes on pages 20 to 37 form part of these financial statements

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

1. STATUTORY INFORMATION

Blakeney LLP ("the LLP") and its subsidiary undertakings, Blakeney General Partners III Limited and Blakeney General Partners IV Limited, collectively referred to as "the Group", provide investment management services.

The LLP is a limited liability partnership and is incorporated in England and Wales. The address of its registered office is 29 Chelsea Wharf, Lots Road, London, SW10 0QJ.

2. STATEMENT OF COMPLIANCE

The Group and individual financial statements of Blakeney LLP have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102"), the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" published in 2017 and Companies Act 2006 (as applied to Limited Liability Partnerships).

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented, unless otherwise stated.

Basis of accounting

The Group and individual financial statements of the LLP have been prepared under the historical cost convention, as modified by the fair value of the investments.

The LLP has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual Statement of Comprehensive Income. The amount of the profit for the period dealt with in the LLP's accounts is shown in Note 16.

Going concern

After making enquiries and assessing the financial resources of the LLP and Group, it is in the Members' opinion that the LLP and Group has adequate resources to continue in operational existence for the foreseeable future. Due to ongoing market uncertainty surrounding the current Covid-19 pandemic, the Members have taken all the necessary measures to ensure the LLP and Group are able to continue throughout the pandemic. Accordingly, the LLP and Group continue to adopt the going concern basis in preparing these financial statements.

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. ACCOUNTING POLICIES (continued)

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions if certain conditions have been complied with including notification of the use of exemptions to, and no objection by, the LLP's Members. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The LLP is a qualifying entity as its results are consolidated into the consolidated financial statements of the Group, which are publicly available.

As a qualifying entity, the LLP has taken advantage of the following exemptions:

- from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- from the requirement to disclose details of material transactions between the LLP and its wholly owned subsidiaries as required by section 33 of FRS 102; and
- from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102.

Basis of consolidation

These financial statements consolidate the financial statements for the LLP and its subsidiary undertakings, Blakeney General Partners III Limited and Blakeney General Partners IV Limited, drawn up to 31 March 2020.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Turnover

Turnover, which excludes VAT, is derived from fees receivable in respect of investment management advice and is recognised upon delivery of the advice if the amounts are considered to be recoverable. Performance fees and incentive allocations are recognised when earned, which is at the end of the performance period and when available for drawing down.

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. ACCOUNTING POLICIES (continued)

Foreign currencies

Group

The Group financial statements are presented in pound sterling.

Each subsidiary in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Assets and liabilities of the subsidiaries denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the financial year and their results are translated at the average rate for the year. All resulting exchange differences are recognised in 'Other comprehensive income'.

LLP

The LLP's functional and presentation currency is the pound sterling.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the LLP assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	25% straight line
Office equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. ACCOUNTING POLICIES (continued)

Tangible fixed assets (continued)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Administrative expenses' in the Statement of Comprehensive Income.

Investments

Shares in subsidiary undertakings are included in the LLP's Statement of Financial Position at cost less provision for any permanent impairment in value.

In accordance with Section 9.26 of FRS 102, the Group elected to measure its investment in entities in which its subsidiaries have an interest as General Partner ("the Partnerships") at fair value with changes in fair value recognised in the Statement of Comprehensive Income. Movements in the Partnerships' capital account balances are recognised as a gain or loss on revaluation in the Statement of Comprehensive Income. See Note 4 i) for details of how fair value is determined.

Financial instruments

The Group and the LLP classifies its financial instruments as basic or other financial instruments in accordance with Sections 11 and 12 of FRS 102. Basic financial instruments include cash and cash equivalents, debtors and creditors.

i) Cash and cash equivalents

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

ii) Financial assets

Debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Debtors measured at amortised cost are assessed at each reporting date for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some of the risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. ACCOUNTING POLICIES (continued)

Financial instruments (continued)

iii) Financial liabilities

Creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iv) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. No financial assets and liabilities have been offset at the reporting date.

v) Amortised cost

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Operating leases

Rentals applicable to operating leases (net of any incentives received from the lessor) where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Pensions

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in other creditors in the Statement of Financial Position. The assets of the plan are held separately from the LLP in independently administered funds.

Taxation

No provision has been made for taxation in these financial statements. Each member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual members and not the LLP itself.

The subsidiary undertakings are registered in Jersey and are exempt from paying tax.

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. ACCOUNTING POLICIES (continued)

Prior period restatement

During the year, in response to a change in the level of investment funds managed by the LLP, the members determined that the accounting policy applied to the "Other reserves" (which in effect reflected goodwill) within Members Other Interests should be altered to reflect the alternative treatment permitted under FRS 102 Section 19. Following the change in accounting policy, the Other reserves is amortised on a straight line basis over 20 years from the date it arose in 2005 from a group restructuring resulting in an amortisation charge of £125,000 each year recognised within 'Administration expenses'. This change in accounting policy had no impact on the net assets attributable to the members of the Group and LLP.

The effects of the change in accounting policy on the previously reported financial performance and position of the Group and LLP are as follows:

	As previously stated £	Effect of change in policy £	As restated £
Group			
Profit for the year ended 31 March 2019	4,259,517	(125,000)	4,134,517
Total comprehensive income for the year ended 31 March 2019	<u>£4,294,808</u>	<u>£(125,000)</u>	<u>£4,169,808</u>
LLP			
Profit for the year ended 31 March 2019	4,300,052	(125,000)	4,175,052
Total comprehensive income for the year ended 31 March 2019	<u>£4,300,052</u>	<u>£(125,000)</u>	<u>£4,175,052</u>

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. ACCOUNTING POLICIES (continued)

Prior period restatement (continued)

	As previously stated 1 April 2018 £	Effect of change in policy 1 April 2018 £	As restated 1 April 2018	As previously stated 31 March 2019	Effect of change in policy 31 March 2019	As restated 31 March 2019 £
Group						
Members' capital	450,000	-	450,000	450,000	-	450,000
Members' reserves	7,941,691	(1,625,000)	6,316,691	7,717,618	(1,750,000)	5,967,618
Other reserves	(2,500,000)	1,625,000	(875,000)	(2,500,000)	1,750,000	(750,000)
Total members' other interests	£5,891,691	-	£5,891,691	£5,667,618	-	£5,667,618
LLP						
Members' capital	450,000	-	450,000	450,000	-	450,000
Members' reserves	7,087,462	(1,625,000)	5,462,462	6,868,633	(1,750,000)	5,118,633
Other reserves	(2,500,000)	1,625,000	(875,000)	(2,500,000)	1,750,000	(750,000)
Total members' other interests	£5,037,462	-	£5,037,462	£4,818,633	-	£4,818,633

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

4. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the LLP and Group financial statements in accordance with FRS 102, management are required to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Significant estimates and judgements are outlined below.

i) Fair value of investment in the Partnerships

The fair value of the investments in the Partnerships, where the LLP's subsidiary undertakings act as General Partner, are determined with reference to the capital account balances allocated to the Group based on the capital account balance of the Partnerships at 31 March 2020 adjusted for any subsequent withdrawals. The capital account balances include incentive allocations earned, provided that it is possible to reliably estimate the allocations.

The Partnerships invest in both quoted and unquoted investments which are recognised at fair value. The fair value of quoted investments are determined based on the closing price, most recently traded price or an average of the most recently traded prices at the reporting date. Such prices are primarily obtained from consensus pricing sources.

The fair value of unquoted investments is determined by the LLP's Valuation Committee on an investment by investment basis in accordance with International Private Equity and Venture Capital Association guidelines. The fair values of these unquoted investments are determined using different valuation techniques such as price of recent transactions, multiples and industry valuation benchmarks.

Notwithstanding the bases of valuations stated above, the eventual realisation proceeds may differ from the valuations and the differences could be significant.

i) Impairment of debtors

The LLP makes an estimate of the recoverable value of debtors, including accrued income. When assessing impairment of debtors, management considers factors including the credit rating of the debtor, the ageing profile of debtors and historical experience. See Note 12 for the net carrying amount of the debtors.

BLAKENEY LLP
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2020

5. TURNOVER	2020	2019
	£	£
An analysis of turnover by geographical market is given below:		
United Kingdom and Channel Islands	5,707,053	7,986,291
Luxembourg	699,152	846,819
	<u>£6,406,205</u>	<u>£8,833,110</u>

All turnover arose from the Group's principal activity.

6. OPERATING PROFIT	2020	2019
	£	£
Operating profit is stated after charging:		
Depreciation	31,255	21,833
Amortisation of Other reserve	125,000	125,000
Operating lease charges	167,000	163,018
Fees payable to the LLP's auditor for the audit of the LLP and the Group's consolidated financial statements	21,200	23,000
Fees payable to the LLP's auditor for taxation and other services	<u>23,390</u>	<u>16,270</u>

7. PARTICULARS OF MEMBERS

Members' remuneration charged as an expense of £45,863 (2019 - £457,331) relates to other remuneration due to certain members which is allocated on a pre-determined basis and hence charged as an expense of £45,863 (2019 - £223,093) and remuneration paid under employment contracts to members where they are legally employees of the LLP of £Nil (2019 - £234,238).

The average number of members throughout the year was 5 (2019 - 6). The amount of the profit share that is attributable to the member with the largest entitlement to profit was £701,804 (2019 - £1,136,360).

No further profit allocations (2019 - £Nil) were made after the balance sheet date.

During the year the LLP and Group incurred expenditure of £124,041 (2019 - £603,382) relating to payments made to former members for their share of incentive allocations received in the year.

BLAKENEY LLP
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2020

8. STAFF COSTS	2020	2019
	£	£
Staff costs, including members with contracts of employment, were as follows:		
Wages and salaries	1,184,443	1,291,859
Social security costs	147,326	162,849
Other pension costs (Note 18)	22,491	12,895
	<u>£1,354,260</u>	<u>£1,467,603</u>

The average monthly number of employees, excluding the members, during the year was as follows:

	2020	2019
	No.	No.
Administration	<u>11</u>	<u>10</u>

9. INTEREST RECEIVABLE	2020	2019
	£	£
Bank interest received	<u>-</u>	<u>£1,626</u>

BLAKENEY LLP
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2020

10. TANGIBLE FIXED ASSETS

Group and LLP

	Office equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2019	206,501	284,015	490,516
Additions	39,014	1,466	40,480
Disposals	-	-	-
At 31 March 2020	<u>245,515</u>	<u>285,481</u>	<u>530,996</u>
Depreciation			
At 1 April 2019	169,879	275,726	445,605
Charge for the year	26,737	4,518	31,255
Disposals	-	-	-
At 31 March 2020	<u>196,616</u>	<u>280,244</u>	<u>476,860</u>
Net book value			
At 31 March 2020	<u>£48,899</u>	<u>£5,237</u>	<u>£54,136</u>
At 31 March 2019	<u>£36,622</u>	<u>£8,289</u>	<u>£44,911</u>

BLAKENEY LLP
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2020

11. FIXED ASSET INVESTMENTS	2020	2019
	£	£
Group		
Investments		
At 1 April	439,376	458,503
Additions during the year	-	-
Deficit on revaluation of investments	(262,319)	(54,418)
Foreign exchange movement	25,639	35,291
	<u>£202,696</u>	<u>£439,376</u>

Investments represent the Group's interest in the Capital Account balances of the entities in which Blakeney General Partners III Limited and Blakeney General Partners IV Limited act as a general partner. The capital account balances include incentive allocations earned, provided that it is possible to reliably estimate the allocations.

LLP

Shares in subsidiary undertakings

At 1 April 2018 and 31 March 2019	<u>£35,000</u>	<u>£35,000</u>
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Shares in subsidiary undertakings represent holdings of 100% of the voting share capital of Blakeney General Partners III Limited and Blakeney General Partners IV Limited, both companies registered office address is 13 Castle Street, St Helier, Jersey, Channel Islands, JE4 5UT. Both companies provide investment management services.

In the prior year 100% of the share capital of Hyrax Fund, Hyrax Master Fund and Hyrax Management Limited was transferred to the LLP at par value of \$1. These companies' registered office address is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. These companies are dormant with £Nil reserves and so have been excluded from consolidation.

12. DEBTORS	Group	LLP	Group	LLP
	2020	2020	2019	2019
	£	£	£	£
Trade debtors	311,045	267,535	613,333	636,741
Amounts due from members (Note 16)	1,400,762	1,400,762	1,702,860	1,702,860
Other debtors	1,704	1,704	26,611	26,080
VAT	70,086	70,086	66,396	66,396
Prepayments and accrued income	172,639	172,639	181,104	181,104
	<u>£1,956,236</u>	<u>£1,912,726</u>	<u>£2,590,304</u>	<u>£2,613,181</u>

Trade debtors are stated after provisions for impairment of £Nil (2019 - £Nil).

Amounts due from members are unsecured, interest free and repayable on demand.

BLAKENEY LLP
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2020

13. CREDITORS
Amounts falling due within one year

	Group 2020 £	LLP 2020 £	Group 2019 £	LLP 2019 £
Trade creditors	124,449	69,890	139,470	56,555
Social security and other taxes	242,047	242,047	323,878	323,878
Other creditors	456	456	2,630	2,630
Accruals	72,681	72,681	118,812	118,812
	<u>£439,633</u>	<u>£385,074</u>	<u>£584,790</u>	<u>£501,875</u>

14. FINANCIAL INSTRUMENTS

Financial assets	Group 2020 £	LLP 2020 £	Group 2019 £	LLP 2019 £
Financial assets at fair value through profit and loss	3,327,460	2,642,542	3,617,193	2,627,416
Financial assets that are debt instruments measured at amortised cost	1,713,511	1,670,000	2,342,804	2,365,681
Financial assets that are equity instruments measured at cost less impairment	-	35,000	-	35,000
	<u>£5,040,971</u>	<u>£4,347,542</u>	<u>£5,959,997</u>	<u>£5,028,097</u>
Financial liabilities				
Financial liabilities measured at amortised cost	197,586	143,027	260,912	177,997
	<u>£197,586</u>	<u>£143,027</u>	<u>£260,912</u>	<u>£177,997</u>

BLAKENEY LLP

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

14. FINANCIAL INSTRUMENTS (continued)

Financial assets measured at fair value through profit and loss comprise investments in Partnerships and cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors, amount due from members and other debtors.

Financial assets measured at cost less impairment comprise investments in subsidiaries.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

15. ANALYSIS OF NET DEBT

Group	At 1 April 2019 £	Arising from cash flows £	Arising from non- cash flows £	At 31 March 2020 £
Cash at bank and in hand	3,177,817	(67,977)	14,924	3,124,764
Net debt (before members' debt)	3,177,817	(67,977)	14,924	3,124,764
Loans and other debts due to members	-	-	-	-
	<u>£3,177,817</u>	<u>£(67,977)</u>	<u>£14,924</u>	<u>£3,124,764</u>
LLP				
Cash at bank and in hand	2,627,416	15,126	-	2,642,542
Net debt (before members' debt)	2,627,416	15,126	-	2,642,542
Loans and other debts due to members	-	-	-	-
	<u>£2,627,416</u>	<u>£15,126</u>	<u>-</u>	<u>£2,642,542</u>

BLAKENEY LLP
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2020

16. RECONCILIATION OF MEMBERS' INTERESTS

Group

	EQUITY Members' other interests				DEBT Loans and other debts due to members less any amounts due from members in debtors	Total members' interests
	Members' capital (classified as equity) £	Members' reserve £	Other reserves £	Total £	£	Total £
At 31 March 2019 (as restated)	450,000	5,967,618	(750,000)	5,667,618	(1,702,860)	3,964,758
Members' remuneration charged as an expense	-	-	-	-	45,863	45,863
Profit for the year available for discretionary division among members	-	2,424,849	-	2,424,849	-	2,424,849
Members' interests after profit for the year	450,000	8,392,467	(750,000)	8,092,467	(1,656,997)	6,435,470
Allocated profit	-	(3,344,907)	-	(3,344,907)	3,344,907	-
Amortisation of other reserve	-	-	125,000	125,000	-	125,000
Exchange differences on retranslation of subsidiary undertakings	-	25,639	-	25,639	-	25,639
Drawings	-	-	-	-	(3,088,672)	(3,088,672)
At 31 March 2020	£450,000	£5,073,199	£(625,000)	£4,898,199	£(1,400,762)	£3,497,437

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16. RECONCILIATION OF MEMBERS' INTERESTS (continued)

LLP

	EQUITY Members' other interests				DEBT	Total members' interests
	Members' capital (classified as equity) £	Members' reserve £	Other reserves £	Total £	Loans and other debts due to members less any amounts due from members in debtors £	Total £
At 31 March 2019 (as restated)	450,000	5,118,633	(750,000)	4,818,633	(1,702,860)	3,115,773
Members' remuneration charged as an expense	-	-	-	-	45,863	45,863
Profit for the year available for discretionary division among members	-	2,660,604	-	2,660,604	-	2,660,604
Members' interests after profit for the year	450,000	7,779,237	(750,000)	7,479,237	(1,656,997)	5,822,240
Allocated profit	-	(3,344,907)	-	(3,344,907)	3,344,907	-
Amortisation of other reserve	-	-	125,000	125,000	-	125,000
Drawings	-	-	-	-	(3,088,672)	(3,088,672)
At 31 March 2020	£450,000	£4,434,330	£(625,000)	£4,259,330	£(1,400,762)	£2,858,568

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests other than the need to manage the liquidity position with the objective of maintaining the FCA's solvency requirements that the LLP must meet in order to maintain its FCA registration.

On a winding up of the LLP, loans and other debts due to members would rank equally with unsecured creditors.

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17. OPERATING LEASE COMMITMENTS

At 31 March 2020 the Group and LLP had total future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings	
	2020	2019
	£	£
Not later than 1 year	167,000	167,000
Later than 1 year and not later than 5 years	203,145	370,603
	<u>£370,145</u>	<u>£537,603</u>

18. PENSION COMMITMENTS

The LLP operates a defined contribution pension scheme whose assets are held separately from those of the LLP in an independently administered fund. The pension cost charge represents contributions payable by the LLP and amounted to £22,491 (2019 - £12,895).

Included within other creditors is £Nil (2019 - £Nil) of pension contributions payable to the fund at the period end.

19. RELATED PARTY TRANSACTIONS

The LLP, Blakeney General Partners III Limited and Blakeney General Partners IV Limited act as the general partner for various entities. Transactions and balances with those entities have been noted below.

Entity	Turnover		Amounts receivable at year end	
	2020	2019	2020	2019
	£	£	£	£
Blakeney LP	3,503,510	3,739,513	201,882	302,243
Blakeney Investors SICAV	699,152	846,819	38,884	65,454
Blakeney Optima LP	424,316	764,561	2,837	61,213
C C Development Partners LP	118,208	1,319,609	290	3,084
ONYX LP	2,578	37,205	237	1,946
ITHACA LP	16,660	32,502	365	2,524
Austin Alpha LP	52,169	98,471	1,404	7,447
Heviben LP	1,511,713	1,794,451	58,708	141,347
Palo Alto LP	24,533	46,386	878	3,386
Menafrika LP	22,440	41,684	697	3,149
Ron Stanley LP	23,575	97,486	4,675	20,442
Blakeney Sandhill LP	7,351	14,423	188	1,098

Key management personnel are the members of the LLP only.

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20. CONSOLIDATED SUPERVISION

Blakeney LLP is subject to consolidated regulatory capital requirements, for which notification has been made to the UK Financial Conduct Authority.

21. PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The members are of the opinion that no member has overall control of the LLP and that the LLP is controlled by the members as a body.

22. CONTINGENT ASSET

The Group has a contingent asset estimated at £1.0 million (2019 - £3.1 million) in relation to incentive allocations earned on some of the funds by the Group which did not wholly meet the asset recognition criteria of FRS 102.