

Registered No. OC347590

## Encore Ventures LLP

**Members' Report and Financial Statements  
for the year ended 31 March 2017**



---

**Encore Ventures LLP**

**Registered Number: OC347590**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

<b>CONTENTS</b>	<b>Page</b>
Limited liability partnership information	3
Members' report	4-5
Statement of members' responsibilities	6
Independent auditor's report	7-8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12-17

---

**Encore Ventures LLP**

**Registered Number:** OC347590

**REGISTERED OFFICE AND PROFESSIONAL ADVISORS**

**Members**

Esprit Capital Partners LLP (formerly Draper Esprit LLP)

J R Marsh

D S Cummings

**LLP Registration No**

OC347590

**Auditors**

Grant Thornton UK LLP

Chartered Accountants

30 Finsbury Square

London

EC2P 2YU

**Registered Office**

20 Garrick Street

London

WC2E 9BT

---

**Encore Ventures LLP**

**Registered Number: OC347590**

## **Members' report**

The members present their annual report together with the financial statements for the year ended 31 March 2017.

### **Principal activity**

The principal activity of Encore Ventures LLP ("the LLP") is the provision of advisory services for EIS investments.

### **Business review**

The LLP was incorporated on 31 July 2009 and has been regulated and authorised by the FCA from 9 March 2010 to perform certain regulated activities. The Statement of Comprehensive Income on page 9 shows a profit for the year, before members' remuneration charged as an expense, of £562,134 (2016: £335,423).

### **Policy regarding members' drawings, and the subscription and repayment of amounts subscribed or otherwise contributed by members**

The Limited Liability Partnership Deed dated 1 September 2009 (and amended and restated on 14 September 2015) sets out the basis for members' drawings, and the subscription and repayment of amounts subscribed or otherwise contributed by members.

The overall policy followed in relation to members' drawings is to allow monthly drawings on account of a member's base profit share to the extent that cash is available for distribution based on forecast requirements of the business.

The overall policy in relation to amounts subscribed or otherwise contributed by members is that it should be sufficient for the day-to-day running of the business of the LLP, and to meet its regulatory requirements.

In accordance with The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (SI 2008/1911), members' capital is presented as "members' capital classified as a liability", "members' capital classified as equity" and other reserves classified as equity in the financial statements.

### **Members**

The members of the LLP during the period were as follows:

Esprit Capital Partners LLP  
J R Marsh  
D S Cummings

---

**Encore Ventures LLP**

Registered Number: OC347590

**Auditors**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008 unless the LLP receives notice under section 488(1) of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008.

This Members' Report was approved by the members on 24 July 2017 and signed on their behalf by:



S M Chapman  
Member of Esprit Capital Partners LLP (Designated Member)  
24 July 2017

Encore Ventures LLP

Registered Number: OC347590

## **Statement of Members' responsibilities for the financial statements**

The members are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under the law the members have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 "The Reduced Disclosure Framework applicable in the UK and Republic of Ireland" (FRS 101). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the 2008 Regulations. They are also responsible for safeguarding the assets of the LLP, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members confirm that:

- so far as each member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- the members have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



S M Chapman  
Member of Esprit Capital Partners LLP (Designated Member)  
24 July 2017

---

Encore Ventures LLP

Registered Number: OC347590



Grant Thornton

## Independent auditor's report to the members of Encore Ventures LLP

We have audited the financial statements of Encore Ventures LLP for the year ended 31 March 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 FRS 101 Reduced Disclosure Framework.

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

### **Respective responsibilities of members and auditor**

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

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

---

**Encore Ventures LLP**

Registered Number: OC347590

**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 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit.



**William Pointon**  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
**London**  
25 July 2017



Encore Ventures LLP

Registered Number: OC347590

## Statement of comprehensive income

for the year ended 31 March 2017

		2017	2016
		£	£
	Notes		
Turnover	8	756,139	531,816
Administration expenses		(194,005)	(196,393)
<b>Operating profit</b>	9	<u>562,134</u>	<u>335,423</u>
<b>Profit for the financial year before members' remuneration and profit shares</b>		562,134	335,423
Members' remuneration charged as an expense		(66,650)	(103,276)
<b>Profit for the financial year available for discretionary division among members</b>		<u>495,484</u>	<u>232,147</u>

All income and expenses have been generated from continuing operations.

There were no other gains or losses other than those included in the Statement of Comprehensive Income for the year. The profit for the financial year available for discretionary division among members is also the total comprehensive income for the year.

The notes on pages 12 to 17 form an integral part of these financial statements.

Encore Ventures LLP

Registered Number: OC347590

**Statement of financial position**

as at 31 March 2017

		2017 £	2016 £
	Notes		
<b>Current assets</b>			
Debtors	11	127,299	60,157
Cash at bank and in hand		<u>239,882</u>	<u>256,660</u>
		<u>367,181</u>	<u>316,817</u>
<b>Current liabilities</b>			
Creditors falling due within one year	12	<u>(197,758)</u>	<u>(147,553)</u>
<b>Net current assets</b>		169,423	169,264
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>169,423</u>	<u>169,264</u>
<b>REPRESENTED BY:</b>			
<i>Loans and other debts due to/(from) members within one year:</i>			
Other amounts		159,423	159,264
<i>Members' other interests:</i>			
Members' capital classified as equity		10,000	10,000
Other reserves		<u>-</u>	<u>-</u>
		<u>169,423</u>	<u>169,264</u>
<b>TOTAL MEMBERS' INTERESTS:</b>			
Loans and other debts due to/(from) members		159,423	159,264
Members' other interests		<u>10,000</u>	<u>10,000</u>
		<u>169,423</u>	<u>169,264</u>

The financial statements were approved by the members on 24 July 2017 and signed on their behalf by:



S M Chapman  
Member of Esprit Capital Partners LLP (Designated Member)

The notes on pages 12 to 17 form an integral part of these financial statements.

Encore Ventures LLP

Registered Number: OC347590

**Statement of changes in equity**

**for the year ended 31 March 2017**

	Members' Capital classified as equity £	Members' other interests £	Total members' other interests £	Loans and other debts due to/(from) Members £	Members ' total interests £
Amounts due to members				119,531	
Amounts due from members				-	
				<u>119,531</u>	
<b>At 1 April 2015</b>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>119,531</u>	<u>129,531</u>
Members' remuneration charged as an expense	-	-	-	103,276	103,276
Profit for financial year available for discretionary division among members	-	232,147	232,147	-	232,147
Members' interests after profit for the year	<u>10,000</u>	<u>232,147</u>	<u>232,147</u>	<u>222,807</u>	<u>464,954</u>
Profit allocation	-	(232,147)	(232,147)	232,147	-
Drawings	-	-	-	(295,690)	(295,690)
<b>At 31 March 2016</b>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>159,264</u>	<u>169,264</u>
Members' remuneration charged as an expense	-	-	-	66,650	66,650
Profit for financial year available for discretionary division among members	-	495,484	495,484	-	495,484
Members' interests after profit for the year	<u>10,000</u>	<u>495,484</u>	<u>495,484</u>	<u>225,914</u>	<u>731,398</u>
Profit allocation	-	(495,484)	(495,484)	495,484	-
Drawings	-	-	-	(561,975)	(561,975)
Amounts due to members				159,423	
Amounts due from members				-	
				<u>159,423</u>	
<b>At 31 March 2017</b>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>159,423</u>	<u>169,423</u>

In the event of winding up the amounts included in "Loans and other debts due to / (from) members" will rank equally with unsecured creditors.

The notes on pages 12 to 17 form an integral part of these financial statements.

---

Encore Ventures LLP

Registered Number: OC347590

## **Notes to the financial statements**

for the year ended 31 March 2017

### **1. Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 – 'The Reduced Disclosure Framework' (FRS 101). The LLP elected to adopt the standard in the year ended 31 March 2016.

### **2. Entity information**

The principal activity of the LLP is the provision of advisory services for EIS investments. The LLP is a UK limited liability partnership headquartered at 20 Garrick Street, London, WC2E 9BT.

### **3. Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The financial statements are presented in Sterling (£) which is also the functional currency of the Company. Amounts are presented to the nearest £.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

### **4. Going concern**

The members have assessed the current financial position of Encore Ventures LLP, along with future cash flow requirements to determine if the LLP has the financial resources to continue as a going concern for the foreseeable future. The conclusion of this assessment is that it is appropriate that the LLP be considered a going concern. For this reason, the members continue to adopt the going concern basis in preparing the financial statements.

### **5. Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates. The financial statements do not include any significant judgments or estimates.

---

Encore Ventures LLP

Registered Number: OC347590

## Notes to the financial statements

for the year ended 31 March 2017

### 6. Principal accounting policies

#### Disclosure exemptions adopted

The following disclosure exemptions have been adopted:

- Preparation of a cash flow statement and related notes;
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of the group as they are wholly owned within the group;
- Disclosure of key management personnel compensation;
- Capital management disclosures; and
- Disclosures in respect of standards in issue not yet effective.

The following disclosure exemption has also been adopted as equivalent disclosures are provided in the parent consolidated financial statements.

- Reduced financial instruments disclosures relating to IFRS 7 as equivalent disclosures are provided by the parent entity.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes. All revenue from services is generated within the United Kingdom and is stated exclusive of value added tax. Revenue from services comprises:

##### a. Fund management services

Fund management fees are either earned at a fixed annual rate or are set at a fixed percentage of funds under management, measured either by commitments or invested cost, depending on the investment stage of the fund being managed. Revenues are recognised as the related services are provided.

##### b. Portfolio directors' fees

Portfolio directors' fees are charged to an investee company and payable to Encore Ventures LLP as the fund manager. The LLP only charges directors' fees on a limited number of the investee companies. Fees are recognised as the related services are provided.

---

**Encore Ventures LLP**

Registered Number: OC347590

**Notes to the financial statements**

for the year ended 31 March 2017

**Members' remuneration and interests**

The Members' rights to participate in the profits or losses, or assets of the LLP are analysed between those that give rise to, from the LLP's perspective, either a financial liability or equity, in accordance with the Limited Liability Partnerships (Accounts and Audits) (Application of Companies Act 2006) Regulations 2008. The Members' different participation rights are analysed separately into liability and equity elements.

**Members' remuneration**

Non-discretionary amounts becoming due to members in respect of participation rights in the profits of the LLP for an accounting year that give rise to liabilities are presented as an expense within the Statement of Comprehensive Income (within the heading Members' remuneration charged as an expense).

Amounts becoming due to members in respect of equity participation rights, following a discretionary division of profits, are debited directly to equity in the accounting year in which the division occurs. Such amounts are not presented as an expense within the Statement of Comprehensive Income. A discretionary division of profits that takes place after the balance sheet date is a non-adjusting event under IAS 10: Non-adjusting events.

**Members' interests**

Members' capital is accounted for in accordance with the Limited Liability Partnerships (Accounts and Audits) (Application of Companies Act 2006) Regulations 2008. Where the LLP has a contractual obligation to deliver cash or another financial asset to the member, the capital is treated as debt. Where the LLP has an unconditional right to avoid delivering cash or other financial assets to a member in respect of such amounts, (i.e. repayment of the member's capital is discretionary), it is treated as equity.

**Operating expenses**

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

**Taxation**

Tax to be paid on the profits arising in the LLP are a personal tax liability of the members of the LLP and therefore are not included as a tax charge or provision within these financial statements.

**Cash and cash equivalents**

Cash comprise cash on hand and demand deposits which is presented as cash at bank and in hand in the statement of financial position.

Cash equivalents comprise short-term, highly liquid investments with maturities of three months or less from inception that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are presented as part of current asset investments in the statement of financial position.

## Notes to the financial statements

for the year ended 31 March 2017

### Foreign currency translation

In preparing the financial statements, transactions in currencies other than the functional currency are recognised at the spot rate at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise.

### 7. Turnover

Revenue is derived solely within the United Kingdom, from continuing operations for all periods.

	2017	2016
	£	£
EIS funds	702,030	504,666
Portfolio directors' fees and other	54,109	27,151
	<u>756,139</u>	<u>531,816</u>

### 8. Operating profit

This is stated after charging:

	2017	2016
	£	£
Auditors' remuneration:		
Fees payable for the audit of the audit of the financial statements	15,000	15,000
Other assurance services	5,000	5,000
Taxation compliance services	3,500	3,500

### 9. Members and their remuneration

The average number of members during the year was 3 (2016: 3).

The profit (including remuneration), that is attributable to the member with the largest entitlement to profit (including remuneration), is £199,654 (2016: £151,908).

## Notes to the financial statements

for the year ended 31 March 2017

### 10. Debtors

#### Amounts falling due in less than one year

	2017	2016
	£	£
Trade debtors	126,018	55,662
Amounts owed by group undertakings	-	3,782
Prepayments and accrued income	1,281	713
	<u>127,299</u>	<u>60,157</u>

There are no balances included that are due greater than one year (2016: £Nil). Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

### 11. Creditors

#### Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	345	9,912
Amounts owed by group undertakings	47,720	-
Other creditors	-	9,704
Accruals and deferred income	149,693	127,937
	<u>197,758</u>	<u>147,553</u>

### 12. Capital commitments

The LLP had no capital commitments for 2017 and 2016.

### 13. Transactions with related parties

During the year, the Company paid £90,600 management fee to Esprit Capital Management limited. There was no balances due to or due from related parties at year end.



---

**Encore Ventures LLP**

Registered Number: OC347590

**Notes to the financial statements**  
**for the year ended 31 March 2017**

**14. Parent company information**

The financial statements of Encore Ventures LLP are consolidated in the Draper Esprit plc financial statements with the effect that Encore Ventures LLP is a subsidiary of Draper Esprit plc. The financial statements for Draper Esprit Plc can be obtained from 20 Garrick Street, London, WC2E 9BT.