

## **Azini 2 LLP**

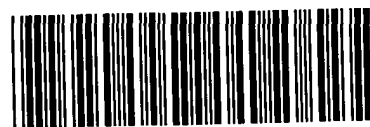
Abbreviated Accounts

Year ended 31 December 2015

Registered No: OC357327

Registered in England

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# **Azini 2 LLP**

## **Abbreviated accounts for the year ended 31 December 2015**

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### **Members**

Azini 2 (GP) LP – General Partner  
Azini 2 (FP) LP  
Lexington Partners VI Holdings L.P.  
Lexington Capital Partners VII L.P.  
LGP Holdings Limited  
Lexington Global Partners II L.P.

### **Registered office**

32 Maple Street, London, W1T 6HB

### **Registered number**

OC357327

### **Auditors**

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

### **Bankers**

NatWest, 63-65 Piccadilly, London, W1J 0AJ

### **Solicitors**

Taylor Wessing LLP, 5 New Street, London EC4A 3TW

# Azini 2 LLP

## Independent auditor's report

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### To the members of Azini 2 LLP Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts which comprise the balance sheet and the related notes, together with the financial statements of Azini 2 LLP for the year ended 31 December 2015, prepared under the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

Our report has been prepared pursuant to the requirements of section 449 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of section 449 of the Companies Act 2006 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### Respective responsibilities of members and auditors

The members are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. It is our responsibility to form an independent opinion as to whether the Limited Liability Partnership is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the Limited Liability Partnership is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purposes of this report does not include examining events occurring after the date of our auditor's report on the full financial statements.

#### Opinion

In our opinion the Limited Liability Partnership is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



**David Eagle (senior statutory auditor)**

For and on behalf of BDO LLP, statutory auditor

Gatwick

United Kingdom

Date: 23 February 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Azini 2 LLP

### Abbreviated balance sheet at 31 December 2015

Registered No: OC357327		2014	2013
	Note	\$	\$
<b>Fixed assets</b>			
Investments	2	<u>46,400,047</u>	<u>42,073,566</u>
<b>Current assets</b>			
Debtors due within one year	3	5,965	11,101
Cash at bank and in hand		<u>1,802,582</u>	<u>1,184,609</u>
		<b>1,808,547</b>	<b>1,195,710</b>
<b>Creditors: amounts falling due within one year</b>	4	<b>(41,887)</b>	<b>(50,739)</b>
<b>Net current assets</b>		<u><b>1,766,660</b></u>	<u><b>1,144,971</b></u>
<b>Net assets attributable to members</b>		<u><b>48,166,707</b></u>	<u><b>43,218,537</b></u>
<b>Loan due to members</b>			
Other amounts	5	<b>48,165,461</b>	<b>43,217,291</b>
<b>Members' other interests</b>			
Members' capital classified as equity	5	<b>1,246</b>	<b>1,246</b>
		<u><b>48,166,707</b></u>	<u><b>43,218,537</b></u>
<b>Total members' interests</b>			
Loans due to members		<b>48,165,461</b>	<b>43,217,291</b>
Members' other interests		<b>1,246</b>	<b>1,246</b>
		<u><b>48,166,707</b></u>	<u><b>43,218,537</b></u>

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

The abbreviated accounts were approved by the members of the Limited Liability Partnership and authorised for issue on 23 February 2016.



**Michael Bennett**  
On behalf of Azini 2 (GP) Limited  
General Partner of Azini 2 (GP) LP  
Designated member



**Nicholas Habgood**  
On behalf of Azini 2 (GP) Limited  
General Partner of Azini 2 (GP) LP  
Designated member

The notes on pages 4 to 9 form part of these abbreviated accounts.

## Azini 2 LLP

### Notes forming part of the abbreviated accounts for the year ended 31 December 2015

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#### 1 Accounting policies

##### **Accounting convention**

The abbreviated accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed asset investments, and in accordance with applicable accounting standards. These abbreviated accounts have also been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' (2015).

The Manager has assessed it appropriate to prepare the financial statements on the going concern basis, and has done so accordingly.

##### **Consolidated financial statements**

The LLP is exempt from the requirement to prepare consolidated financial statements by virtue of section 398 of the Companies Act 2006 as the group it heads qualifies as a small group. These financial statements therefore present information about the LLP as an individual undertaking and not about its group.

##### **Investments**

Investments are held at cost or the Manager's valuation which follows the International Private Equity Valuation guidelines.

Where a significant transaction occurs involving an independent third party at arms length value, the investment is valued by reference to that price. Investments are made with the express intention of capital appreciation and receipt of income. Azini 2 LLP has made use of the provision in FRS9 (Associates and Joint Ventures) to account for associates as investments according to the method of accounting applied to other investments within their investment portfolio, rather than as an associate or joint venture, even where there is significant influence or joint control.

##### **Income and expenses**

All income and expenses are accounted for on an accruals basis. Bank interest is accounted for as it is received.

##### **Management fee**

The priority profit share loan payable to the general partner during the period in accordance with the partnership agreement is charged to the profit and loss account as a management fee. This treatment and presentation reflects the substance of the transaction. The loan is non-repayable other than out of any future priority profit share on realised disposals and bears no interest.

##### **Taxation**

The Limited Liability Partnership, as an entity, is not liable to taxation in the United Kingdom on its income and gains. Therefore no taxation is provided in these accounts. However, each partner may be required, under tax regulations appropriate to their jurisdiction of residence, to report their share of the income, gains, losses, deductions and credits of the Limited Liability Partnership.

##### **Allocation of net income, net income losses and capital gains and losses**

Allocation of net income, net income losses and capital gains and losses are made in accordance with the Limited Liability Partnership agreement.

##### **Foreign exchange**

Foreign currency transactions are translated into USD at the rates ruling when they occur.

Monetary assets and liabilities denominated in foreign currencies are translated into USD at the rates ruling at the balance sheet date.

## Azini 2 LLP

**Notes forming part of the abbreviated accounts for the year ended 31 December 2015 (Continued)**

### 2. Fixed Asset Investments

	2015 \$	2014 \$
Balance brought forward 1 Jan	42,073,566	42,073,757
Purchases at cost	884,000	2,001,513
Disposals proceeds	(3,219,394)	(717,094)
Realised profit	(354,250)	717,005
Mark-up of investments in year	7,500,125	-
Write down of investments in year	(484,000)	(2,001,615)
Net valuation movement	7,016,125	(2,001,615)
<b>Balance carried forward 31 Dec</b>	<b>46,400,047</b>	<b>42,073,566</b>

The LLP has interests in the following partnerships :-

Subsidiary undertaking	Country of Incorporation	Proportion of Voting rights and capital held	Nature of Business
Berkeley I LLP	UK	99.99%	Investment Holding Entity
Berkeley II LLP	UK	99.99%	Investment Holding Entity.
Berkeley III LLP	UK	99.99%	Investment Holding Entity.

Under the provision of section 398 of the Companies Act 2006 the LLP is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the LLP as an individual entity.

However, for clarity, the underlying portfolio of investments held by the holding entities, Berkeley I LLP and Berkeley II LLP is shown on page 6. Berkeley III LLP holds no active investments.

## Azini 2 LLP

Notes forming part of the abbreviated accounts for the year ended 31 December 2015 *(Continued)*

### 2. Fixed Asset Investments (continued)

#### Fixed asset investments - note to statutory accounts

	Cost 1 January 2015 \$	Valuation 1 January 2015 \$	Purchases at cost \$	Disposals proceeds \$	Cost 31 December 2015 \$	Mark up of investment \$	Write down of investment \$	Transfer realised \$	Valuation 31 December 2015 \$	Multiple of cost %
<b>Berkeley I</b>	21,604,330	35,075,000	-	(3,218,750)	5,962,273	7,500,000	-	(354,250)	39,000,000	
Bolero.net Ltd	3,423,564	11,500,000	-	-	3,423,564	500,000	-	-	12,000,000	351%
Corvil Ltd	2,538,208	20,000,000	-	-	2,538,208	7,000,000	-	-	27,000,000	1064%
Mobixell Networks Inc	15,642,057	3,573,000	-	(3,218,750)	-	-	-	(354,250)	-	-
Sonim Tech Inc	501	-	-	-	501	-	-	-	-	-
<b>Berkeley II</b>	3,999,154	7,000,566	884,000	(644)	4,882,510	125	(484,000)	-	7,400,047	
Onespin	3,997,641	7,000,000	884,000	-	4,881,641	-	(484,000)	-	7,400,000	152%
Apax Europe V	1,513	566	-	(644)	869	125	-	-	47	5%
	<u>25,603,484</u>	<u>42,073,566</u>	<u>884,000</u>	<u>(3,219,394)</u>	<u>10,844,783</u>	<u>7,500,125</u>	<u>(484,000)</u>	<u>(354,250)</u>	<u>46,400,047</u>	<u>428%</u>

## Azini 2 LLP

Notes forming part of the abbreviated accounts for the year ended 31 December 2015 *(Continued)*

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<b>3. Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Prepayments	5,965	11,101
<b>Debtors due within one year</b>	<b>5,965</b>	<b>11,101</b>

<b>4. Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Accruals	41,887	50,739
	<b>41,887</b>	<b>50,739</b>



## Azini 2 LLP

Notes forming part of the abbreviated accounts for the year ended 31 December 2015 *(Continued)*

5. Partner Accounts	Capital accounts \$	Loan accounts \$	Current accounts \$	Total \$
<b>Brought forward 1 Jan 2015</b>	<b>1,246</b>	<b>9,603,612</b>	<b>33,613,679</b>	<b>43,218,537</b>
<b>Movements during Year</b>				
Allocation of profit for year	-	-	4,948,170	4,948,170
	-	-	4,948,170	4,948,170
<b>Carried forward 31 Dec 2015</b>	<b>1,246</b>	<b>9,603,612</b>	<b>38,561,849</b>	<b>48,166,707</b>

## **Azini 2 LLP**

**Notes forming part of the abbreviated accounts for the year ended 31 December 2015 (*Continued*)**

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**6. Total members' interests**

Members' other interests rank after unsecured creditors, and loans and other debts due to members rank pari passu with unsecured creditors in the event of a winding up.

**7. Related party transactions**

During the year Azini 2 LLP paid \$1,614,974 as a priority profit share to Azini 2 (GP) LP.

**8. Ultimate controlling party**

At 31 December 2015 the immediate controlling party was Azini 2 (GP) LP in its role as general partner to the Partnership. The ultimate controlling party was Azini Capital Partners LLP as it had a significant influence due to the terms of a management agreement.