

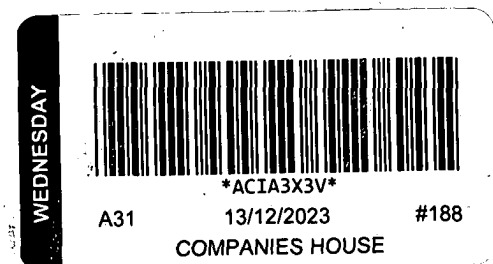
Rede Partners LLP

Members' Report and Financial Statements

Year Ended

31 March 2023

LLP Number OC361093



Rede Partners LLP

Information

Designated members

S A Church, Designated member

A E Turtle, Designated member

LLP registered number

OC361093

Registered office

110 Park Street, 3rd Floor, London, W1K 6NX

Independent auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

Rede Partners LLP

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Rede Partners LLP

Members' Report For the Year Ended 31 March 2023

The members present their annual report together with the audited financial statements of Rede Partners LLP (the "LLP and the Group") for the ended 31 March 2023.

Principal activities

The principal object of the LLP and the Group is to provide fundraising advisory services for the private equity and credit industries. The LLP is authorised and regulated by the Financial Conduct Authority ("FCA").

Designated Members

S A Church and A E Turtle were designated members of the LLP and the Group throughout the year.

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by the Limited Liability Partnership Agreement. The agreement states that capital may only be withdrawn by a member if they cease to be a member or an equal amount is transferred by a fellow member. Capital is therefore classified as equity.

Details of changes in members' capital in the year ended 31 March 2023 are set out in the reconciliation of members' interests.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated between members during the year and distributed subject to the cash requirements of the business.

Going concern

The financial statements have been prepared under the going concern basis as the members have undertaken a review of the future financing requirements for the ongoing operation of the partnership, and are satisfied that sufficient cash facilities are available, in respect of positive cash inflows from operations, to meet its working capital requirement for at least 12 months from the date of signing of the financial statements.

The directors are aware of several macroeconomic factors, global geopolitical unrest and rising interest rates, that are expected to define the partnership's operating environment for the foreseeable future. The directors believe that the partnership is capable of effectively responding to, and mitigating, the impact of these factors and therefore assert that it is still appropriate to prepare the accounts on a going concern basis.

Rede Partners LLP

Members' Report (continued) For the Year Ended 31 March 2023

Members' responsibilities statement

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

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of 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). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of 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 Group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the Group's transactions and disclose with reasonable accuracy at any time the financial position of 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.

Disclosure of information to auditor

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

- so far as that member is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the Group's auditor is aware of that information.



.....
A E Turtle
Designated member

Date: 13 July 2023 | 3:18 PM BST

Rede Partners LLP

Independent Auditor's report to the members of Rede Partners LLP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and the Limited Liability Partnership's affairs as at 31 March 2023 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 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of Rede Partners LLP ("the Limited Liability Partnership") for the year ended 31 March 2023 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the limited liability partnership statement of financial position, the consolidated and LLP reconciliation of member's interest, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Limited Liability Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Limited Liability Partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Rede Partners LLP

Independent Auditor's report to the members of Rede Partners LLP (continued)

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting as applied to limited liability partnerships

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 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.

Responsibilities of members

As explained more fully in the Members' responsibilities, 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 Group's and the Limited Liability Partnership'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 Group or the Limited Liability Partnership 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Rede Partners LLP

Independent Auditor's report to the members of Rede Partners LLP (continued)

We gained an understanding of the legal and regulatory framework applicable to the Group's or the Limited Liability Partnership's and the industry in which it operates, and considered the risk of acts by the Group or the Limited Liability Partnership which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies Act 2006, the accounting standards and the Financial Conduct Authority's regulations.

We focused on laws and regulations that could give rise to material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding instances of non-compliance with applicable laws and regulations, including those arising from being FCA regulated, and contingent liabilities; and
- review of minutes of board meetings throughout the period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Limited Liability Partnership'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 Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Vanessa Bradley

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Vanessa-Jayne Bradley (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London

United Kingdom

Date: 13 July 2023

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

Rede Partners LLP

Consolidated Statement of Comprehensive Income For the Year Ended 31 March 2023

	Note	2023 £000	2022 £000
Turnover	4	48,092	44,786
Cost of sales		(15)	(37)
Administrative expenses		(39,181)	(32,334)
Operating profit	5	8,896	12,415
Interest receivable and similar income	8	2	-
Profit before tax		8,898	12,415
Tax on profit	9	(79)	(309)
Profit before members' remuneration and profit shares		8,819	12,106
Profit for the year before members' remuneration and profit shares		8,819	12,106
Members' remuneration charged as an expense		(7,090)	(9,315)
Profit for the financial year available for discretionary division among members		1,729	2,791
Other comprehensive income/(expense) for the year			
Foreign exchange relating to the retranslation of subsidiaries		128	87
Other comprehensive income/(expense) for the year		128	87
Total comprehensive income for the year		1,857	2,878
Profit for the year attributable to:			
Owners of the parent LLP		1,729	2,791
Total comprehensive income attributable to:			
Owners of the parent LLP		1,857	2,878

The notes on pages 15 to 30 form part of these financial statements.

Rede Partners LLP
Registered number: OC361093

Consolidated Statement of Financial Position
As at 31 March 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	10	189	161
Tangible assets	11	2,476	963
		<u>2,665</u>	<u>1,124</u>
Current assets			
Debtors: amounts falling due within one year	13	10,914	12,299
Cash and cash equivalents		6,463	8,931
		<u>17,377</u>	<u>21,230</u>
Creditors: amounts falling due within one year	14	(10,390)	(13,118)
Net current assets		<u>6,987</u>	<u>8,112</u>
Total assets less current liabilities		<u>9,652</u>	<u>9,236</u>
Provisions for liabilities			
Deferred taxation	16	(34)	-
		<u>(34)</u>	<u>-</u>
Net assets		<u><u>9,618</u></u>	<u><u>9,236</u></u>

Rede Partners LLP
Registered number: OC361093

Consolidated Statement of Financial Position (continued)
As at 31 March 2023

	Note	2023 £000	2022 £000
Capital and reserves			
Loans and other debts due to members within one year			
Members' capital classified as a liability	17	1,500	1,550
Other amounts	17	4,769	4,448
		<u>6,269</u>	<u>5,998</u>
Members' other interests			
Members' capital classified as equity	51	51	
Retranslation reserve	143	15	
Other reserves	3,155	3,172	
		<u>3,349</u>	<u>3,238</u>
		<u>9,618</u>	<u>9,236</u>
Total members' interests			
Loans and other debts due to members	17	6,269	5,998
Members' other interests		3,349	3,238
		<u>9,618</u>	<u>9,236</u>

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



.....
A E Turtle
Designated member

Date: 13 July 2023 | 3:18 PM BST

The notes on pages 15 to 30 form part of these financial statements.

Rede Partners LLP
Registered number: OC361093

LLP Statement of Financial Position
As at 31 March 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	10	189	161
Tangible assets	11	1,980	656
Investments	12	-	-
		<u>2,169</u>	<u>817</u>
Current assets			
Debtors: amounts falling due within one year	13	12,183	12,592
Cash and cash equivalents		2,088	5,424
		<u>14,271</u>	<u>18,016</u>
Creditors: amounts falling due within one year	14	(8,888)	(10,559)
Net current assets		<u>5,383</u>	<u>7,457</u>
Net assets		<u><u>7,552</u></u>	<u><u>8,274</u></u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability	17	1,500	1,550
Other amounts	17	5,248	4,927
Members' other interests			
Members' capital classified as equity		51	51
Other reserves		753	1,746
		<u>7,552</u>	<u>8,274</u>
Total members' interests			
Loans and other debts due to members	17	6,748	6,477
Members' other interests		804	1,797
		<u>7,552</u>	<u>8,274</u>

Rede Partners LLP
Registered number: OC361093

LLP Statement of Financial Position (continued)
As at 31 March 2023

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit of the parent before discretionary distributions to members was £753k (2022 - £1,746k).

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



.....
A E Turtle

Designated member 13 July 2023 | 3:18 PM BST

The notes on pages 15 to 30 form part of these financial statements.

Rede Partners LLP

Consolidated Reconciliation of Members' Interests For the Year Ended 31 March 2023

	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) £000	Retranslation reserve £000	Other reserves £000	Total £000	Members' capital (classified as debt) £000	Other amounts £000	Total £000	Total £000
Balance at 1 April 2021	51	(72)	1,387	1,366	200	9,123	9,323	10,689
Members' remuneration charged as an expense	-	-	-	-	-	9,315	9,315	9,315
Profit for the year available for discretionary division among members	-	-	2,791	2,791	-	-	-	2,791
Members' interests after profit for the year	51	(72)	4,178	4,157	200	18,438	18,638	22,795
Other division of profits	-	-	(1,006)	(1,006)	-	1,006	1,006	-
On translation of foreign subsidiaries	-	87	-	87	-	-	-	87
Amounts introduced by members	-	-	-	-	1,350	-	1,350	1,350
Drawings	-	-	-	-	-	(14,995)	(14,995)	(14,995)
Balance at 31 March 2022	51	15	3,172	3,238	1,550	4,448	5,998	9,236
Members' remuneration charged as an expense	-	-	-	-	-	7,090	7,090	7,090
Profit for the year available for discretionary division among members	-	-	1,729	1,729	-	-	-	1,729
Members' interests after profit for the year	51	15	4,901	4,967	1,550	11,538	13,088	18,055
Other division of profits	-	-	(1,746)	(1,746)	-	1,746	1,746	-
On translation of foreign subsidiaries	-	128	-	128	-	-	-	128
Repayment of capital	-	-	-	-	(50)	-	(50)	(50)
Drawings	-	-	-	-	-	(8,515)	(8,515)	(8,515)
Balance at 31 March 2023	51	143	3,155	3,349	1,500	4,769	6,269	9,618

Rede Partners LLP

LLP reconciliation of members' interests For the Year Ended 31 March 2023

	EQUITY			DEBT			Total
	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors			members' interests
	Members' capital (classified as equity) £000	Other reserves £000	Total £000	Members' capital (classified as debt) £000	Other amounts £000	Total £000	Total £000
Balance at 1 April 2021	51	1,006	1,057	200	9,123	9,323	10,380
Members' remuneration charged as an expense	-	-	-	-	9,315	9,315	9,315
Profit for the year available for discretionary division among members	-	1,746	1,746	-	-	-	1,746
Members' interests after profit for the year	51	2,752	2,803	200	18,438	18,638	21,441
Other division of profits	-	(1,006)	(1,006)	-	1,006	1,006	-
Amounts introduced by members	-	-	-	1,350	-	1,350	1,350
Drawings	-	-	-	-	(14,516)	(14,516)	(14,516)
Balance at 31 March 2022	51	1,746	1,797	1,550	4,927	6,477	8,274
Members' remuneration charged as an expense, including employment and retirement benefit costs	-	-	-	-	7,090	7,090	7,090
Profit for the year available for discretionary division among members	-	753	753	-	-	-	753
Members' interests after profit for the year	51	2,499	2,550	1,550	12,017	13,567	16,117
Other division of profits	-	(1,746)	(1,746)	-	1,746	1,746	-
Repayment of capital	-	-	-	(50)	-	(50)	(50)
Drawings	-	-	-	-	(8,515)	(8,515)	(8,515)
Balance at 31 March 2023	51	753	804	1,500	5,248	6,748	7,552

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.

Rede Partners LLP

Consolidated Statement of Cash Flows For the Year Ended 31 March 2023

	2023 £000	2022 £000
Cash flows from operating activities		
Profit for the financial year	1,729	2,791
Adjustments for:		
Members' remuneration charged as an expense	7,090	9,315
Amortisation of intangible assets	91	13
Depreciation of tangible assets	879	518
Taxation charge	79	309
Decrease/(increase) in debtors	1,452	(8,320)
(Decrease)/increase in creditors	(2,978)	4,817
Foreign exchange derivative loss	707	-
Tax paid	(455)	(95)
Foreign exchange	156	(7)
Net cash generated from operating activities before transactions with members	<u>8,750</u>	<u>9,341</u>
Cash from operations		
Members' distributions	(8,515)	(14,995)
Net cash generated from/(used in) operating activities	<u>235</u>	<u>(5,654)</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(119)	(174)
Purchase of tangible fixed assets	(2,378)	(256)
Net cash used in investing activities	<u>(2,497)</u>	<u>(430)</u>
Cash flows from financing activities		
Members' capital contributed	-	1,350
Distribution paid to members	(50)	-
Net cash used in financing activities	<u>(50)</u>	<u>1,350</u>
Net decrease in cash and cash equivalents	<u>(2,312)</u>	<u>(4,734)</u>

Rede Partners LLP

Consolidated Statement of Cash Flows (continued) For the Year Ended 31 March 2023

	2023 £000	2022 £000
Cash and cash equivalents at beginning of year	8,931	13,658
Foreign exchange gains and losses	(156)	7
Cash and cash equivalents at the end of year	6,463	8,931
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	6,463	8,931
	6,463	8,931

The notes on pages 15 to 30 form part of these financial statements.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

1. General information

Rede Partners LLP is a limited liability partnership incorporated in England under the Companies Act 2006. The address of the registered office stated on the company information page and the nature of the company's operations and its principal activities are stated in the members' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the LLP and its subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the equity method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The financial statements have been prepared under the going concern basis as the members have undertaken a review of the future financing requirements for the ongoing operation of the partnership, and are satisfied that sufficient cash facilities are available, in respect of positive cash inflows from operations, to meet its working capital requirement for at least 12 months from the date of signing of the financial statements.

The directors are aware of several macroeconomic factors, global geopolitical unrest and rising interest rates, that are expected to define the partnership's operating environment for the foreseeable future. The directors believe that the partnership is capable of effectively responding to, and mitigating, the impact of these factors and therefore assert that it is still appropriate to prepare the accounts on a going concern basis.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- Straight line over 5 years
Office equipment	- Straight line between 3 and 5 years

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income within administrative expenses.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

In 2022 the LLP took out a foreign exchange forward contract to protect against future currency fluctuations. Forward contracts are initially recognised at fair value and are subsequently remeasured at fair value based on mid-market forward rates, with gains and losses recognised in profit or loss.

The LLP's financial instruments arise directly from operations. All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The LLP does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment. The LLP's cash holdings comprise on demand balances and deposit accounts. Trade and other creditors and accruals are initially recognised at transaction value as none represents a financing transaction. They are only derecognised when they are extinguished. As the LLP only has short term receivables and payables, its net current asset position is a reasonable measure of its liquidity as any given time.

2.10 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

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 the 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 consolidated statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'interest receivable and similar income'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'administrative expenses'.

On consolidation, the results of overseas operations are translated into GBP at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.11 Operating leases (Leases as lessee)

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

2.13 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.14 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Patents are amortised over their useful life of 3 years.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 Members' remuneration and profit share

Each member is allocated a fixed remuneration per year after which the LLP's profits are allocated on a points system. Unallocated profits after applying this mechanism are to be distributed at the discretion of the remuneration committee, and are included within 'other reserves'.

90% of the LLP's profit for the year was allocated to the members with 10% of the profits forming a reserve that will be distributed at the discretion of the remuneration committee.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the LLP and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

No provision has been made for taxation for the LLP in the 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 member and not the LLP.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the members have had to make the following judgements:

- Determine whether leases entered into by the Group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis; and
- Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance.

Other key sources of estimation uncertainty

- **Tangible fixed assets (see note 11)**
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

4. Turnover

The whole of the turnover is attributable to the Group's principal activity.

	2023 £000	2022 £000
United Kingdom	16,406	13,851
Rest of Europe	15,808	16,607
United States of America	6,344	4,300
Rest of the world	9,534	10,028
	<u>48,092</u>	<u>44,786</u>

5. Operating profit

The operating profit is stated after charging:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	970	531
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	34	25
Fees payable to the LLP's auditor for the audit of the subsidiary's financial statements	4	3
Other non-audit services	21	7
Exchange differences	143	1
Other operating lease rentals	1,601	1,355
Defined contribution pension cost	<u>884</u>	<u>632</u>

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

6. Employees

Staff costs were as follows:

	Group 2023 £000	Group 2022 £000	LLP 2023 £000	LLP 2022 £000
Wages and salaries	20,725	18,922	15,118	15,002
Social security costs	2,555	2,264	2,169	2,043
Cost of defined contribution scheme	884	632	718	541
	<u>24,164</u>	<u>21,818</u>	<u>18,005</u>	<u>17,586</u>

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	Group 2023 No.	Group 2022 No.	LLP 2023 No.	LLP 2022 No.
	<u>113</u>	<u>88</u>	<u>87</u>	<u>73</u>

7. Information in relation to members

Profits are shared among the members in accordance with agreed profit sharing arrangements.

	2023 Number	2022 Number
The average number of members during the year was	<u>5</u>	<u>5</u>
	2022 £000	2022 £000
The amount of profit attributable to the member with the largest entitlement was	<u>2,352</u>	<u>3,349</u>

During the year, two of the members received aggregate payments of £293,000 (2022 - £479,193) from Rede Partners (Americas) LLC.

8. Interest receivable

	2023 £000	2022 £000
Other interest receivable	<u>2</u>	<u>-</u>

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

9. Taxation

	2023 £000	2022 £000
Corporation tax		
Current tax on profits for the year	-	(8)
Foreign tax		
Foreign tax on income for the year	8	398
Total current tax	<u>8</u>	<u>390</u>
Deferred tax		
Origination and reversal of timing differences	71	(81)
Taxation on profit on ordinary activities	<u><u>79</u></u>	<u><u>309</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - lower than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £000	2022 £000
Profit on ordinary activities before tax	<u>8,898</u>	<u>12,415</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	1,691	2,359
Effects of:		
Profits not subject to corporation tax	(1,491)	(2,102)
Effect of different tax rates of foreign subsidiaries	(121)	52
Total tax charge for the year	<u><u>79</u></u>	<u><u>309</u></u>

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

10. Intangible assets

Group and LLP

	Patents £000
Cost	
At 1 April 2022	174
Additions	119
	<hr/>
At 31 March 2023	293
	<hr/>
Amortisation	
At 1 April 2022	13
Charge for the year	91
	<hr/>
At 31 March 2023	104
	<hr/>
Net book value	
At 31 March 2023	189
	<hr/> <hr/>
At 31 March 2022	161
	<hr/> <hr/>

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

11. Tangible fixed assets

Group

	Long-term leasehold property £000	Office equipment £000	Total £000
Cost			
At 1 April 2022	1,274	1,303	2,577
Additions	2,188	190	2,378
Disposals	-	(1)	(1)
Exchange adjustments	2	22	24
At 31 March 2023	<u>3,464</u>	<u>1,514</u>	<u>4,978</u>
Depreciation			
At 1 April 2022	807	807	1,614
Charge for the year	628	251	879
Exchange adjustments	(1)	10	9
At 31 March 2023	<u>1,434</u>	<u>1,068</u>	<u>2,502</u>
Net book value			
At 31 March 2023	<u><u>2,030</u></u>	<u><u>446</u></u>	<u><u>2,476</u></u>
At 31 March 2022	<u><u>467</u></u>	<u><u>496</u></u>	<u><u>963</u></u>

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

11. Tangible fixed assets (continued)

LLP

	Long-term leasehold property £000	Office equipment £000	Total £000
Cost			
At 1 April 2022	1,054	892	1,946
Additions	1,769	52	1,821
At 31 March 2023	<u>2,823</u>	<u>944</u>	<u>3,767</u>
Depreciation			
At 1 April 2022	691	599	1,290
Charge for the year	348	149	497
At 31 March 2023	<u>1,039</u>	<u>748</u>	<u>1,787</u>
Net book value			
At 31 March 2023	<u><u>1,784</u></u>	<u><u>196</u></u>	<u><u>1,980</u></u>
At 31 March 2022	<u><u>363</u></u>	<u><u>293</u></u>	<u><u>656</u></u>

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

12. Fixed asset investments

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the LLP:

Name	Registered office	Principal activity	Class of shares	Holding
Rede Partners (UK) Limited	110 Park Street, London, United Kingdom, W1K 6NX	Holding company	Ordinary	100%
Rede Invest Scotland Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	Investment advice	Ordinary	100%

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the LLP:

Name	Registered office	Principal activity	Class of shares	Holding
Rede Partners (Americas) LLC	Corporation Trust Center 1209, Orange Street Wilmington, County of New Castle, Delaware, 19801	Investment advice	Ordinary	100%
Rede Partners (Europe) Limited	171, Old Bakery Street, Valletta VLT 1455, Malta	Investment advice	Ordinary	100%
Rede GP Scotland LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	Investment advice	Ordinary	*100%
Rede Partners (Netherlands) B.V.	Herengracht 124, 1015BT, Amsterdam	Investment advice	Ordinary	100%
Rede Partners (Asia) Limited	Level 26, Unit 2305, Prosperity Tower, 39 Queens Road Central, Hong Kong	Investment advice	Ordinary	100%

* Rede GP Scotland LLP is owned 50% directly, and 50% indirectly.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

13. Debtors

	Group 2023 £000	Group 2022 £000	LLP 2023 £000	LLP 2022 £000
Amounts falling due within one year				
Trade debtors	8,561	4,738	6,610	3,348
Amounts owed by group undertakings	-	-	3,772	2,019
Other debtors	1,252	695	774	494
Prepayments and accrued income	1,101	6,831	1,027	6,731
Deferred taxation	-	35	-	-
	10,914	12,299	12,183	12,592

14. Creditors: Amounts falling due within one year

	Group 2023 £000	Group 2022 £000	LLP 2023 £000	LLP 2022 £000
Trade creditors	945	777	868	695
Amounts owed to group undertakings	-	-	377	304
Corporation tax	12	371	-	-
Other taxation and social security	313	274	313	274
Other creditors	53	53	43	27
Accruals and deferred income	8,360	11,643	6,580	9,259
Derivative liability	707	-	707	-
	10,390	13,118	8,888	10,559

All amounts owed to group undertakings are interest free and repayable on demand.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

15. Financial instruments

	Group 2023 £000	Group 2022 £000	LLP 2023 £000	LLP 2022 £000
Financial assets				
Financial assets that are debt instruments measured at amortised cost	16,276	14,364	13,244	11,285
Financial liabilities				
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	(707)	-	(707)	-
Financial liabilities measured at amortised cost	(15,627)	(18,471)	(14,616)	(16,762)
	(16,334)	(18,471)	(15,323)	(16,762)

Financial assets that are debt instruments measured at amortised cost comprise cash and cash equivalents, trade debtors, other debtors, amounts owed from group undertakings and accrued income.

Derivative financial instruments measured at fair value through profit or loss comprises forward currency agreements. The Group has entered into a forward currency agreement to sell €26m, as at the statement of financial position date €18.5m was outstanding, and a £707k mark-to-market loss has been recognised within administrative expenses in respect of this.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to related parties, other creditors, accruals, members' capital treated as debt and amounts due to members in respect of withdrawn profits.

16. Deferred taxation

Group

	2023 £000	2022 £000
At beginning of year	35	(44)
Charged to profit or loss	(71)	81
Charged to other comprehensive income	2	(2)
At end of year	(34)	35

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

16. Deferred taxation (continued)

	Group 2023 £000	Group 2022 £000
Accelerated capital allowances	(34)	35
	<u>(34)</u>	<u>35</u>

17. Loans and other debts due to members

	Group 2023 £000	Group 2022 £000	LLP 2023 £000	LLP 2022 £000
Members' capital treated as debt	(1,500)	(1,550)	(1,500)	(1,550)
Other amounts due to members	(4,769)	(4,448)	(5,248)	(4,927)
	<u>(6,269)</u>	<u>(5,998)</u>	<u>(6,748)</u>	<u>(6,477)</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

18. Commitments under operating leases

At 31 March 2023 the Group and the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £000	Group 2022 £000	LLP 2023 £000	LLP 2022 £000
Not later than 1 year	1,651	1,385	1,057	938
Later than 1 year and not later than 5 years	5,328	4,418	4,214	4,214
Later than 5 years	705	1,762	705	1,762
	<u>7,684</u>	<u>7,565</u>	<u>5,976</u>	<u>6,914</u>

19. Related party transactions

The LLP has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain group companies on the grounds that the subsidiaries party to the transactions are wholly owned members of the group.

Rede Partners LLP

Notes to the Financial Statements For the Year Ended 31 March 2023

20. Ultimate controlling party

In the opinion of the members, the limited liability partnership is controlled equally by two of the members, S A Church, and A E Turtle.