

Registered number OC386497

CROSSLANE PARTNERS LLP

Report and consolidated financial statements
For the year ended 31 December 2020

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CROSSLANE PARTNERS LLP

Report and financial statements At 31 December 2020

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CROSSLANE PARTNERS LLP

Members and advisors

Designated members:

Burnwater Limited (cancelled 14 September 2021)
GS Investments SLP
Gierynski Investments Limited
Lissington Limited
SJR Holdings Limited
Jerzy Zygmunt Swirski
Neil Morrison Milne
Pawel Gierynski
Stephen John Richmond

Independent Auditor:

Ernst & Young LLP
25 Churchill Place
London E14 5EY

Registered office:

Smithfield House
92 North Street
Leeds
LS2 7PN
United Kingdom

Bankers:

Barclays Bank PLC
One Churchill Place, Canary Wharf
London, E14 1QE
UK

Solicitors:

Travers Smith LLP
10 Snow Hill
London
EC1A 2AL

CROSSLANE PARTNERS LLP

Report of the Members

The members present their report and the consolidated financial statements of Crosslane Partners LLP (the "Partnership") and its subsidiaries, together the "Group" for the year ended 31 December 2020.

Incorporation

Crosslane Partners LLP was incorporated in the United Kingdom on 9 July 2013 as a limited liability partnership under the Limited Liability Partnerships Act 2000.

Principal activities

The principal activity of the Group is the provision of investment management services to Abris CEE Mid-Market Fund LP, Abris CEE Mid-Market Fund II LP, Abris CEE Mid-Market Fund II-A LP, Abris CEE Mid-Market Fund III LP and China-CEE Management S.a.r.l., along with holding an investment in Edgeborough Partners LP, Edgeborough Partners II GP (Limited) and Edgeborough Partners Co-Investments (GP) Limited. The Partnership's activities commenced on 21 November 2013 following the acquisition of certain subsidiaries by contribution from its members.

Review of current position, future developments and significant risks

The Group's development to date, financial results and position as presented in the financial statements are considered satisfactory. The members are satisfied that the Group is expected to remain profitable, that income will be received on a timely basis to meet liabilities as they fall due, and that the Group will continue as a going concern. The most significant risks faced by the Group and the steps taken to manage these risks, are described in note 3 of the financial statements.

COVID-19 is considered to be a non-adjusting event and as such no adjustments have been made to the valuation of assets and liabilities as at 31 December 2020. For further discussion concerning the management assessment of COVID-19 impact on the Group refer to note 2.

Results

The Group's results for the year are set out on page 6. The priority profit share of the Partnership for the year was all charged as an expense to the members as remuneration.

Policy with respect to members' drawings and subscription and repayments of amounts subscribed or otherwise contributed by members

Members holding Services Units of the Partnership are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each year. New members may be admitted to the Partnership pursuant to a Members' Consent. The contribution of the New Member shall be agreed between such New Member and the Members by a Members' Consent.

Responsibilities of the management committee

The management committee are responsible for preparing the Members' report and the financial statements in accordance with applicable law and regulations.

Company law as applied to limited liability partnerships 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 management committee have elected to prepare the financial statements in accordance with IFRS. Under Company law as applied to limited liability partnerships 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 Partnership and of the profit or loss of the Partnership for that year.

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 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 Partnership will continue in business.

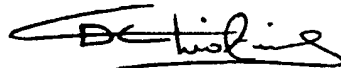
CROSSLANE PARTNERS LLP

Report of the Members (continued)

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

Registered office:
Smithfield House
92 North Street
Leeds
LS2 7PN
UK

Signed on behalf of the members



On behalf of Gierynski Investments Limited
Designated member

CROSSLANE PARTNERS LLP

Independent auditor's report to the members of Crosslane Partners LLP

Opinion

We have audited the financial statements of Crosslane Partners LLP (the Partnership) and its subsidiaries (the Group) for the year ended 31 December 2020 which comprise the Statements of comprehensive income, the Statements of financial position, the Statements of changes in equity, the statements of cash flows the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

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 December 2020 and of its profit for the year then ended;
- ▶ have been properly prepared in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 as applied to limited liability partnerships; and
- ▶ have been properly prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

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 below. We are independent of 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.

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

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 limited liability partnership's ability to continue as a going concern for a period of 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the limited liability partnership's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, 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 there is 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 the 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 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.

CROSSLANE PARTNERS LLP

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 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 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.

Explanation as to what extent the audit was considered 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 irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

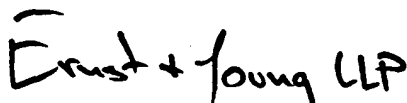
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the limited liability partnership and determined that the most significant are the applicable law and International Financial Reporting Standards.
- We understood how the Partnership is complying with those frameworks by making inquiries of management and seeking representation from those charged with governance to understand how the Directors maintain and communicate its policies and procedures in these areas, and corroborated this by reviewing supporting documentation.
- We assessed the susceptibility of the Partnership's Group's financial statements to material misstatement, including how fraud might occur by the risk of management override of internal control. We tested specific transactions backing to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiries of management and those charged with governance, as well as review of complex and material judgements.

A further description of our responsibilities for the audit of the financial statements is located 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 partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to Limited Liability Partnerships. 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 limited liability 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.



Ahmer Huda (Senior statutory auditor)

For and on behalf of Ernst & Young LLP, Statutory auditor

London

Date: 28 September 2021

CROSSLANE PARTNERS LLP

Statements of comprehensive income Year ended 31 December 2020

	Note	Group 2020 €	Group 2019 €	LLP 2020 €	LLP 2019 €
Revenue	5	25,133,519	24,217,620	3,318,163	2,088,000
Administrative expenses	6	(18,343,706)	(17,159,841)	(46,690)	(75,413)
Operating profit		6,789,813	7,057,779	3,271,473	2,012,587
Net finance income / (expense)	8	2,510	21,051	(1,250)	(1,513)
Profit before tax		6,792,323	7,078,830	3,270,223	2,011,074
Tax	9	(637,433)	(636,358)	-	-
Net profit for the year		6,154,890	6,442,472	3,270,223	2,011,074
Comprehensive income					
Net gain on equity instruments	17	1,378,499	637,840	-	-
Exchange differences on translation of foreign operations		(135,233)	123,209	-	-
Total comprehensive income for the year before members' remuneration and profit shares		7,398,156	7,203,521	3,270,223	2,011,074
Members' remuneration charged as an expense		(2,023,608)	(2,009,436)	(2,023,608)	(2,009,436)
Total comprehensive income for the year		5,374,548	5,194,085	1,246,615	1,638
Attributable to:					
Equity holders of the parent		4,375,665	4,329,720	1,246,615	1,638
Non-controlling interests		998,883	864,365	-	-
		5,374,548	5,194,085	1,246,615	1,638

All of the activities of the Group and Partnership are from continuing operations.

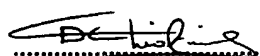
The notes on pages 9 to 22 form an integral part of these financial statements.

CROSSLANE PARTNERS LLP

Statements of financial position At 31 December 2020

		Group 2020	Group 2019	LLP 2020	LLP 2019
	Note	€	€	€	€
ASSETS					
Non-current assets					
Investments	10	13,056,576	11,811,780	575,054	575,054
Non-current financial assets	11	109,453	591,394	-	-
Equipment, fittings and intangible assets	12	35,735	47,810	-	-
Right-of-use assets	13	874,799	817,045	-	-
		14,076,563	13,268,029	575,054	575,054
Current assets					
Trade and other receivables	14	2,348,822	2,030,158	52,178	71,073
Prepayments and accrued income	14	19,218,484	17,222,544	660,000	689,000
Cash at bank and in hand	15	12,138,121	10,073,077	128,275	10,348
		33,705,427	29,325,779	840,453	770,421
Total assets		47,781,990	42,593,808	1,415,507	1,345,475
EQUITY AND LIABILITIES					
Equity and reserves					
Members' capital	16	446,808	446,808	446,808	446,808
Translation reserves		(446,994)	(335,068)	-	-
Other reserves	17	6,089,566	4,881,997	-	-
Accumulated profits		28,643,136	26,616,801	440	8,488
		34,731,540	31,610,538	447,248	455,296
Non-controlling interests		3,767,791	3,284,974	-	-
		38,499,331	34,895,512	447,248	455,296
Current liabilities					
Trade and other payables	18	8,969,886	7,156,300	968,259	890,179
		8,969,886	7,156,300	968,259	890,179
Long term liabilities	19	312,773	541,996	-	-
Total liabilities		9,282,659	7,698,296	968,259	890,179
Total equity and liabilities		47,781,990	42,593,808	1,415,507	1,345,475

The members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.



On behalf of Gierynski Investments Limited
Designated Member
Date: 28 September 2021
Registered number: OC386497

The notes on pages 10 to 22 form an integral part of these financial statements.

CROSSLANE PARTNERS LLP

Statements of changes in equity Year ended 31 December 2020

Group	Members' capital €	Other reserves €	Translation reserves €	Accumulated profits €	Total €	Non-controlling interests €	Total equity €
At 31 December 2018	446,808	4,244,157	(458,277)	23,906,689	28,139,377	2,420,609	30,559,986
Distributions and dividends	-	-	-	(860,500)	(860,500)	-	(860,500)
Net profit for the year	-	-	-	5,580,048	5,580,048	862,424	6,442,472
Other comprehensive Income for the year	-	637,840	123,209	-	761,049	1,941	762,990
Members' remuneration	-	-	-	(2,009,436)	(2,009,436)	-	(2,009,436)
At 31 December 2019	446,808	4,881,997	(335,068)	26,616,801	31,610,538	3,284,974	34,895,512
Distributions and dividends	-	-	-	(1,254,663)	(1,254,663)	(516,067)	(1,770,730)
Net profit for the year	-	-	-	5,303,630	5,303,630	851,260	6,154,890
Other comprehensive Income for the year	-	1,207,569	(111,926)	-	1,095,643	147,624	1,243,267
Members' remuneration	-	-	-	(2,023,608)	(2,023,608)	-	(2,023,608)
At 31 December 2020	446,808	6,089,569	(446,994)	28,643,136	34,731,540	3,767,791	38,499,331

LLP

	Members' capital €	Accumulated profits €	Total €
At 31 December 2018	446,808	6,850	453,658
Net profit for the year	-	2,011,074	2,011,074
Members' remuneration	-	(2,009,436)	(2,009,436)
At 31 December 2019	446,808	8,488	455,296
Net profit for the year	-	3,270,223	3,270,223
Distributions	-	(1,254,663)	(1,254,663)
Members' remuneration	-	(2,023,608)	(2,023,608)
At 31 December 2020	446,808	440	447,248

The notes on pages 10 to 22 form an integral part of these financial statements.

CROSSLANE PARTNERS LLP

Statements of cash flows Year ended 31 December 2020

		Group 2020	Group 2019	LLP 2020	LLP 2019
	Note	€	€	€	€
CASH FLOWS USED IN OPERATING ACTIVITIES					
Profit before tax		6,792,323	7,078,830	3,270,223	2,011,074
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation of equipment, fittings and right-of-use asset		397,275	312,666	-	-
Amortisation of Placing Agent fees receivables	11	481,942	563,509	-	-
Net finance (income) / costs	8	(2,510)	(21,051)	1,250	1,513
Working capital adjustments:					
(Decrease) / increase in accruals	18	1,670,662	(1,751,001)	10,429	6,755
(Decrease) / increase in other payables	18	(86,299)	(1,139,880)	67,651	(35,652)
(Increase) / decrease in receivables	14	(2,315,580)	(1,669,511)	47,895	23,604
		6,937,813	3,373,562	3,397,448	2,007,294
Interest received		52,638	66,702	-	-
Bank charges and interest paid		(45,651)	(45,651)	(1,250)	(1,513)
Tax paid		(646,167)	(634,417)	-	-
Net cash flows from operating activities		6,298,633	2,760,196	3,396,198	2,005,781
CASH FLOWS FROM INVESTING ACTIVITIES					
Addition of intangible assets	12	-	-	-	-
Net (addition) / disposal of property, plant and equipment	12	(17,696)	(41,431)	-	-
Payment for purchase of investments	10	-	(1,379,892)	-	-
Disposal of investments	10	133,703	6,024	-	-
Reclassification of investment loans	10	-	-	-	-
Net cash flows used in investing activities		116,007	(1,415,299)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Distributions to members		(1,254,663)	-	(1,254,663)	-
Dividends paid by subsidiaries		(517,432)	(860,500)	-	-
Capital contributions		-	-	-	-
Repayment of lease liabilities		(418,660)	(259,688)	-	-
Members' remuneration paid under LLP agreement		(2,023,608)	(2,009,436)	(2,023,608)	(2,009,436)
Net cash flows used in financing activities		(4,307,592)	(3,129,624)	(3,278,271)	(2,009,436)
Net (decrease) / increase in cash and cash equivalents		2,107,048	(1,784,727)	117,927	(3,655)
Cash and cash equivalents:					
Net foreign exchange difference		(135,233)	123,209	-	-
At beginning of the period		10,073,077	11,734,595	10,348	14,003
At end of the period	15	12,138,121	10,073,077	128,275	10,348

The notes on pages 10 to 22 form an integral part of these financial statements.

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements For the year ended 31 December 2020

1. Incorporation and principal activities

Country of incorporation

Crosslane Partners LLP was incorporated in the United Kingdom on 9 July 2013 as a limited liability partnership under the Limited Liability Partnerships Act 2000. Its registered office is Smithfield House, 92 North Street, Leeds LS2 7PN, United Kingdom.

Principal activities

The principal activity of the Group is the provision of investment management services to Abris CEE Mid-Market Fund LP, Abris CEE Mid-Market Fund II LP, Abris CEE Mid-Market Fund II-A LP, Abris CEE Mid-Market Fund III LP and China-CEE Management S.a.r.l., along with holding an investment in Edgeborough Partners LP, Edgeborough Partners II GP (Limited) and Edgeborough Partners Co-Investments (GP) Limited. The Partnership's activities commenced on 21 November 2013 following the acquisition of certain subsidiaries through contribution from its members.

2. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

Basis of preparation

The Members have agreed that the Partnership's accounts will be prepared in accordance with IFRS to simplify the preparation of the consolidated accounts due to all of its subsidiaries being prepared under IFRS. The financial statements are therefore prepared under the historical cost convention and in accordance with International Financial Reporting Standards (IFRSs).

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

On January 30, 2020, the World Health Organization declared the outbreak of coronavirus ("COVID-19") to be a public health emergency of international concern. This coronavirus outbreak has severely restricted the level of economic activity around the world. In response to this coronavirus outbreak, the governments of many countries, states, cities and other geographic regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes.

The Partnership continues to monitor the impact that the COVID-19 pandemic has on the Group / Partnership, the private equity industry and the economies in which the Group operates. The Partners do not consider the COVID-19 pandemic to have a material direct financial impact on the Group. The Group derives advisory fee income from the provision of investment advisory services. The management fee income is based on either the funds' investment acquisition cost or the funds' commitments, and not on the fair value of the funds' investments. The Group's ability to generate fees will not change over the next year.

The Partners have considered the likelihood of a reduction in the Group's future advisory fee income and any consequential need to reduce the Group's operating costs. Based on their assessment the advisory fee receivable does not vary with the market value of the funds and the investments under management, and the investors in these funds cannot redeem their fund participations hence, the advisory receivable is therefore stable and predictable. The funds under management paid fees due for the entirety of 2020 and the first 6 months of 2021. A drawdown of cash from investors in these funds would be required for the funds to pay the fees due for the remainder of 2021. If an investor(s) were to default on a future drawdown, then this could make recovery of the fees due less certain. The funds under management have diversified investor bases and this mitigates the risk of a widespread investor default, which could have a material impact on future cash flows.

The Group's most significant cost is investment advisory fees paid to related parties under common control which is charged on the basis of being agreed from time to time. The cost base of the advisor, and the fees paid by the Group to meet these costs, could be reduced if required by deferring and/or reducing staff costs, which are the largest cost of the advisory business.

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

2. Accounting policies (continued)

Basis of preparation (continued)

Having performed this analysis the Partners believe the Group will have sufficient liquidity to meet its liabilities for the for the next 12 months and that the preparation of the financial statements on a going concern basis remains appropriate as the Group expects to be able to meet its obligations as and when they fall due for the foreseeable future.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Crosslane Partners LLP and its subsidiaries Abris Private Equity Limited, Burnwater Limited, Abris Group Holdings Limited, CEE Equity Partners Limited and all indirect subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full on consolidation.

Subsidiaries have coterminous year ends and are fully consolidated from the date of acquisition, being the date on which the parent obtains control, and continue to be consolidated until the date that such control ceases.

Adoption of new and revised standards

During the current year the Group adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2020.

The adoption of these standards did not have a material effect on the consolidated financial statements.

Standards issued but not yet effective

At the date of approval of these consolidated financial statements the following accounting standards were issued by the International Accounting Standards Board but were not yet effective:

(i) **Issued by the IASB and adopted by the European Union**

- None

(ii) **Issued by the IASB but not yet adopted by the European Union**

- IFRS 14 Regulatory Deferral Accounts (issued on 30 January 2014) (no launch of the endorsement process and wait for the final IFRS Standard).
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (deferred indefinitely).
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (issued on 23 January 2020) (effective for annual periods beginning on or after 1 January 2023).
- IFRS 17 "Insurance Contracts" (issued on 18 May 2017) (effective for annual periods beginning on or after 1 January 2021).

The above are expected to have no significant impact on the Group's consolidated financial statements when they become effective.

Revenue recognition

Revenue comprises the invoiced amount for the provision of investment advisory services net of rebates and discounts. Revenues earned by the Group are recognised on the following basis:

- **Rendering of services**
Sales of services are recognised in the accounting period in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.
- **Income from investments**
Dividend income from investments is recognised when the right to receive payment is established. Profits or losses from the sale of investments represent the difference between the net proceeds and the carrying amount of the investments sold and are transferred to the statement of comprehensive income.

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

2. Accounting policies (continued)

Debtors and allowance for bad debts

Bad debts are written off to the group statement of comprehensive income and a specific allowance is made, where it is considered necessary. No general allowance for bad debts is made. Trade debtors are stated after deducting the specific allowance for bad and doubtful debts, if any.

Employee benefits

The Group's subsidiaries and its employees contribute to local Government Social Insurance Funds based on employees' salaries. The Group's contributions are expensed as incurred and are included in staff costs. The Group has no legal or constructive obligations to pay further contributions if the scheme does not hold sufficient assets to pay all employees benefits relating to employee service in the current period.

Foreign currency translation

(1) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(2) Translation of foreign operations

The assets and liabilities of foreign operations with different functional currencies to the Group are translated into the presentation currency at the rate of exchange ruling at the reporting date. Income and expenses are translated at the weighted average exchange rates for the period. The resulting exchange differences are recognised in other comprehensive income. On disposal of the foreign operation, the deferred cumulative amount recognised in equity relating to the particular foreign operation is recognised as income.

Finance income

Finance income includes interest income which is recognised on an accruals basis.

Finance costs

Interest expense and other borrowing costs are charged to the statement of comprehensive income using the effective interest rate.

Expenses

Expenses are recognised in the statement of comprehensive income on an accruals basis.

Investments

The Partnership holds investments in its subsidiaries at cost. Group subsidiary investments include equity investments held as equity instruments with subsequent changes in the fair value of the investment presented through other comprehensive income and determine the classification of investments at initial recognition.

Equity instruments as at fair value through other comprehensive income are measured at fair value, being the transaction consideration plus any directly attributable transaction costs. Assets are recognised on the trade date, being the date at which the Group becomes legally entitled to the risks and rewards of ownership.

Unrealised gains and losses arising from subsequent changes in the fair value of the equity instruments are recognised in other comprehensive income. When equity instruments are sold or impaired, the accumulated fair value adjustments will remain in other comprehensive income as assessed under IFRS 9.

Tax

The Group's Cypriot subsidiaries are subject to income tax at the standard rate of 12.5%, whilst its Polish subsidiary is subject to income tax at the standard rate of 19%, and its Romanian subsidiary at the standard rate of 16%. The Group's Jersey subsidiaries are not subject to taxation.

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

2. Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Furniture, fixtures and office equipment	15

The residual values of the assets and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to the statement of comprehensive income in the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the statement of comprehensive income.

Leases

Right-of-use asset

Right-of-use assets is presented separately in the Statement of financial position and are recognised at the date at which the leased assets are available for use by the Company. Right-of-use assets are measured initially at cost which comprise the amount of the initial measurement of the lease liability. Subsequently, the right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurements of the lease liability where any reassessment or lease modifications occur. An impairment review is undertaken and an impairment loss is recognised against any right of use lease assets that is impaired. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

Lease liabilities are measured at the present value of the fixed and variable lease payments net of any incentives that are not paid at the balance date. Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate as judged by management to achieve a constant rate of interest on the remaining balance of the liability.

2019 was the first year of adopting 'IFRS 16 Leases' and a modified retrospective approach has been adopted in this first instance, with right-of-use assets and lease liabilities being recognised at their value on 1 January 2019.

Deferred income

Deferred income represents income receipts which relate to future years and is recognised on an accruals basis.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost. Impairment losses are calculated using the simplified approach under IFRS 9 and any impairment losses are recognised in profit or loss. The impairment loss recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

2. Accounting policies (continued)

Financial instruments (continued)

Cash and cash equivalents

For the purposes of the statements of cash flows, cash and cash equivalents comprise cash in hand. In the statement of financial position, bank overdrafts are included in borrowings in current liabilities.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

3. Financial risk factors

The Group is exposed to interest rate risk, credit risk, liquidity risk, currency risk, compliance risk, litigation risk, reputation risk and capital management risk arising from the financial instruments it holds. The risk management policies employed by the Group to manage these risks are discussed below:

(3.1) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

(3.2) Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Group has policies in place to ensure that sales and services are made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables. Cash balances are held with high credit quality financial institutions and the Group has policies to limit the amount of credit exposure to any financial institution. The maximum exposure to credit risk for the Group is €47,782,966 (2019: €42,593,808).

(3.3) Liquidity risk

Liquidity risk is the risk that the Group cannot meet its liabilities as they fall due. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has procedures with the objective of minimising such losses such as maintaining sufficient cash and other highly liquid current assets. As the Group has only short term operational liabilities no maturity analysis has been presented in these financial statements.

(3.4) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group functional currency. The Group is exposed to foreign exchange risk arising primarily with respect to the US Dollar. As at 31 December 2020 the consolidated financial statements used foreign currency exchange rates of US\$1.228 (2019: US\$1.199). The following table demonstrates the sensitivity to a reasonable possible change in US Dollar exchange rates, with the impact on the Group's profit before tax and pre-tax equity being the changes in the fair value of monetary assets.

	Change in USD rate	Effect on profit before tax €	Effect on pre- tax equity €
2020	+10%	(363,787)	(363,787)
2020	-10%	363,787	363,787
2019	+10%	(356,957)	(356,957)
2019	-10%	356,957	356,957

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

3. Financial risk factors (continued)

(3.5) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arises from non-compliance with laws and regulations of the states in which the Group operates. The risk is limited to a significant extent due to the supervision applied by the Compliance Officer, as well as by the monitoring controls applied by the Group.

(3.6) Capital management risk

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

(3.7) Fair value estimation

The carrying amounts and fair values of certain financial assets and liabilities are as follows:

	Group Carrying amounts 2020 €	Group Fair value 2020 €	LLP Carrying amounts 2020 €	LLP Fair value 2020 €
Financial assets				
Cash	12,138,121	12,138,121	128,275	128,275
Investments at fair value through other comprehensive income	13,056,576	13,056,576	-	-
	<u>25,194,697</u>	<u>25,194,697</u>	<u>128,275</u>	<u>128,275</u>

The Group assessed that cash deposits, short term trade and other receivables as well as trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Impairment of trade receivables in the amount of expected credit loss**
The Group reviews its trade and other receivables for evidence of impairment loss. The Company applies the simplified approach under IFRS 9 to calculate the impairment loss of trade receivables. The Company reviews such evidence including the customer's payment record and the customer's overall financial position. If indications of credit loss exist, an impairment loss on trade receivables is made. The amount of impairment loss is charged through the statement of comprehensive income. The review of credit risk is continuous and the methodology and assumptions used for estimating the impairment loss on trade receivables are reviewed regularly and adjusted accordingly.
- **Income taxes**
Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

4. Critical accounting estimates and judgements (continued)

• Fair value considerations of investments

The Group periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investments in subsidiaries may be impaired, the estimated future undiscounted cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down against cost is necessary. The Group also makes assumptions regarding the value of the Priority Profit Share investment in Abris CEE Mid-Market Fund II GP LP which is held at fair value, as it does not take into account future expenditure by Abris CEE Mid-Market Fund II GP LP which would decrease the amount of PPS available.

• Lease Liabilities

The Group has three right-of-use assets being for offices based in Poland and Romania, with lease terms expiring in June 2023 and June 2022 respectively. These assets have been recognised using the modified retrospective approach. To measure the lease liabilities, the Group has used its incremental borrowing rate as it cannot readily determine the interest rate implicit in the lease. Taking into account the expected incremental borrowing rate given the terms of the leases and the fact that the Group does not have external financing the below was also considered:

- the high levels of collateralisation implied by the property;
- the relatively short duration of the lease; and
- the presumption that the Group is a going concern.

Based on the above a discount rate of 2.5% has been assessed on the right-of-use assets.

5. Revenue

	Group 2020	Group 2019	LLP 2020	LLP 2019
	€	€	€	€
Rendering of services	24,999,420	24,157,625	2,063,500	2,088,000
Gain on transfer of equity instruments	-	35,102	-	-
Directors fees	102,042	20,736	-	-
Other operating income	32,057	4,157	-	-
Dividends received from subsidiaries	-	-	1,254,663	-
	25,133,519	24,217,620	3,318,163	2,088,000

6. Operating profit

Operating profit is stated after charging the following items:

	Group 2020	Group 2019	LLP 2020	LLP 2019
	€	€	€	€
Staff costs including directors in their executive capacity	9,211,919	7,467,119	-	-
Auditors remuneration including subsidiaries	90,149	98,710	16,675	19,877
Legal and professional costs	4,739,730	4,462,807	13,951	9,318
Placing agent fees	681,923	563,509	-	-
Travel and subsistence	166,706	639,843	11,550	35,960
Depreciation and amortisation of tangible, intangible and right-of-use assets (notes 12, 13)	397,275	312,666	-	-
Foreign currency revaluation	71,000	21,123	-	-

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Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

7. Staff costs

	Group 2020 €	Group 2019 €	LLP 2020 €	LLP 2019 €
Wages	1,342,267	2,661,210	-	-
Social insurance	112,379	106,654	-	-
Other contributions	289,374	230,250	-	-
Consultancy fees	7,242,990	4,250,109	-	-
Directors' fees	224,909	218,896	-	-
	<u>9,211,919</u>	<u>7,467,119</u>	<u>-</u>	<u>-</u>

8. Net finance Income / (expense)

	Group 2020 €	Group 2019 €	LLP 2020 €	LLP 2019 €
Interest income	52,638	66,702	-	-
Bank charges and interest expense	(16,367)	(24,933)	(1,250)	(1,250)
Interest expense on lease liability	(33,761)	(20,718)	-	-
	<u>2,510</u>	<u>21,051</u>	<u>(1,250)</u>	<u>(1,250)</u>

9. Tax

The Group has an income tax liability arising in its Cypriot jurisdiction where the Group's subsidiaries are tax resident, because of taxable profits arising in 2020. At 31 December 2020, Abris Group Holdings Limited had taxable profits after non-deductible costs of €6,835 (2019: €9,913) resulting in a tax charge for the year of €976 (2019: €1,363), Burnwater Limited had taxable losses after non-deductible costs of €8,901 (2019: €10,029) resulting in a tax charge for the year of Nil (2019: Nil), Abris Private Equity Limited had taxable losses after non-deductible costs of €12,004 (2019: €11,485) resulting in a tax charge for the year of Nil (2019: Nil) and CEE Equity Partners Limited had taxable profits after non-deductible costs of €3,728,320 (2019: €3,943,966) resulting in a tax charge for the year of €466,040 (2019: €492,993). The Abris-CEE Holdings Limited Group including its Polish and Romanian subsidiaries had taxable profits after non-deductible costs of €1,286,415 for the year ended 31 December 2020, resulting in a tax charge of €170,417.

At 31 December 2020, the Group had tax losses carried forward of Nil (2019: Nil).

10. Investments

The Group has interests in thirteen companies held indirectly via its subsidiaries as detailed below. The Partnership has three direct subsidiary companies which were transferred into the Partnership as part of the initial contributions agreed with the members in return for the relevant class of units (note 16), and one further direct subsidiary Abris Private Equity Limited which was subsequently incorporated and its issued share capital paid up by the Partnership.

Investments in subsidiaries

	LLP €
At 31 December 2019	575,054
Additions	-
At 31 December 2020	<u>575,054</u>

The Groups' subsidiaries CEE Equity Partners Limited, Burnwater Limited, Abris CEE Mid-Market Fund II GP Ltd, Abris CEE Mid-Market Fund III GP Ltd, Edgeborough Partners II (GP) Limited and Edgeborough Co-Investments (GP) Ltd hold investments at net realisable value – the movement for the year is detailed below:

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Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

10. Investments (continued)

Group investments

	At fair value	At cost	Total
	€	€	€
At 31 December 2019	11,807,045	4,735	11,811,780
Disposals	(133,703)	-	(133,703)
Net gain on equity instruments	1,378,499	-	1,378,499
At 31 December 2020	13,051,841	4,735	13,056,576

The details of the investments are as follows:

LLP

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Holding %</u>
Abris Group Holdings Limited	Cyprus	The granting of licences for the use of trademarks	100.00
Burnwater Limited	Cyprus	Investment holding company	100.00
CEE Equity Partners Limited	Cyprus	Provision of investment advisory fees to China-CEE Management S.a.r.l.	74.00
Abris Private Equity Limited	Cyprus	Holding company for the investment advisory subsidiaries	100.00

Group

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Holding %</u>
Abris Capital Partners Limited	Jersey	Provision of investment management services to Abris CEE Mid-Market Fund II LP, Abris CEE Mid-Market Fund II-A LP and Abris CEE Mid-Market Fund III LP	100.00
Abris Capital Partners (Fund I) Limited	Jersey	Provision of investment management services to Abris CEE Mid-Market Fund LP	100.00
Abris-CEE Holdings Limited	Cyprus	Investment advisory	100.00
Abris Capital Partners Sp. z o.o.	Poland	Investment advisory	100.00
Abris Capital Partners SRL	Romania	Investment advisory	100.00
Abris Capital Partners TOV	Ukraine	Investment advisory (in liquidation)	100.00
CEE Executive Team (GP) Ltd	Jersey	General Partner to CEE Executive Team LP	74.00
Edgeborough Partners II (GP) Ltd	Jersey	General Partner and Limited Partner in Edgeborough Partners II LP	100.00
Edgeborough Co-Investments (GP) Ltd	Jersey	General Partner and Limited Partner in Edgeborough Co-Investments LP	100.00
Fastpast Limited	Cyprus	Dormant	74.00
Severika Limited	Cyprus	Dormant	74.00
Abris CEE Mid-Market Fund II GP Limited	Jersey	General Partner of the general partner and co-investor in Abris CEE Mid-Market Fund II LP and Abris CEE Mid-Market Fund II-A LP	100.00
Abris CEE Mid-Market Fund III GP Limited	Jersey	General Partner of the general partner and co-investor in Abris CEE Mid-Market Fund III LP	100.00

The Group subsidiary Abris CEE Mid-Market Fund II GP Limited is entitled to 39.433% priority profit share in Abris CEE Mid-Market Fund II GP LP and Abris CEE Mid-Market Fund III GP Limited is entitled to 39.48% priority profit share in Abris CEE Mid-Market Fund III GP LP. Collectively these were deemed to have a fair value as at 31 December 2020 of €4,390,381 (2019: €3,602,356) using the International Private Equity and Venture Capital Valuation Guidelines. On 24 August 2018 Edgeborough Co-Investments (GP) Limited was transferred Class C and Class E capital in Edgeborough Co-Investments LP and Edgeborough Partners II (General Partner) Limited was transferred 3.72% of the capital commitment and 3.0% of the carry capital in Edgeborough Partners II LP. These are held via the Group subsidiary Abris Capital Partners Limited and together were deemed to have a fair value as at 31 December 2020 of €688,175 (2019: €696,309) using the International Private Equity and Venture Capital Valuation Guidelines.

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Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

11. Non-current financial assets

	Group €
Placing agent fees at 31 December 2019	591,394
Amortised during the year	<u>(481,942)</u>
At 31 December 2020	<u>109,453</u>

The Group's subsidiary Abris Capital Partners Limited has entered into agreements with two separate service providers for the provision of distribution and marketing services for Abris CEE Mid-Market Fund III LP. The placing agent fees due to these parties in respect of these services are being amortised on a straight line basis over 3 years.

12. Equipment, fittings and intangible assets

	Furniture, fixtures and office equipment Group €
Cost	
At 1 January 2019	755,424
Additions	<u>41,431</u>
At 31 December 2019	796,855
Additions	17,955
Disposals	<u>(259)</u>
At 31 December 2020	<u>814,551</u>
Accumulated depreciation	
At 1 January 2019	(688,508)
Charge for the year	<u>(60,537)</u>
At 31 December 2019	(749,045)
Charge for the year	(30,030)
Disposal for the year	<u>259</u>
At 31 December 2020	<u>(778,816)</u>
Net book value	
At 31 December 2019	<u>47,810</u>
At 31 December 2020	<u>35,735</u>

The Partnership does not hold any property, plant or equipment.

The above includes €3,925 of intangible assets (2019: €4,184) with €3,876 of associated depreciation (2019: €4,073).

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

13. Right-of-use assets

	Right of use: Buildings Group €
Cost	
At 1 January 2019	1,069,174
Additions	-
At 31 December 2019	1,069,174
Additions	425,260
At 31 December 2020	<u>1,494,434</u>
Accumulated depreciation	
At 1 January 2019	-
Charge for the year	(252,129)
At 31 December 2019	(252,129)
Charge for the year	(252,129)
At 31 December 2020	<u>(619,635)</u>
Net book value	
At 31 December 2019	817,045
At 31 December 2020	<u>874,799</u>

As a result of the adoption of IFRS 16: Leases effective 1 January 2019 the Group recognised right-of-use assets held under operating leases as at 1 January 2019 of €1,069,174.

The Partnership does not hold any Right-of-use assets.

14. Trade and other receivables

	Group 2020 €	Group 2019 €	LLP 2020 €	LLP 2019 €
Trade receivables	166,702	37,335	25,418	44,115
Other receivables	2,182,120	1,992,823	26,760	26,958
Prepayments and accrued income	19,218,484	17,222,544	660,000	689,000
	<u>21,567,306</u>	<u>19,252,702</u>	<u>712,178</u>	<u>760,073</u>

15. Cash and cash equivalents

For the purposes of the cash flow statements, the cash and cash equivalents include the following:

	Group 2020 €	Group 2019 €	LLP 2020 €	LLP 2019 €
Cash at bank and in hand	12,138,121	10,073,077	128,275	10,348
	<u>12,138,121</u>	<u>10,073,077</u>	<u>128,275</u>	<u>10,348</u>

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

16. Members capital

The Members have different interests and entitlements in respect of the different business divisions in the Group and in order to give effect to this, a separate class of units is created for each business division, and the profits and losses of each business division shall be apportioned to the relevant Class. Subject to clause 4.4 of the LPA, the units of each class represent the interest of members to share in the profits of the relevant business division that are related to such class.

	A (Fund II) Units	A (Fund III) Units	B Units	C Units	D Units	Services Units	U Units
Burnwater Limited	-	-	-	-	-	-	1
Jerzy Swirski	-	-	-	-	-	1	-
Neil Milne	-	-	-	-	-	1	-
Pawel Gierynski	-	-	-	-	-	1	-
Stephen Richmond	-	-	-	-	-	1	-
GS Investments SLP	399.5	300.0	500.0	333.3	313.3	-	-
Gierynski Investments Limited	141.0	300.0	-	333.3	313.3	-	-
Lissington Limited	399.5	300.0	500.0	333.3	313.3	-	-
SJR Holdings Limited	60.0	100.0	-	-	60.0	-	-
	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	4	1

Contributed capital

	2020 €	2019 €
As at 1 January	446,808	446,808
Additions during the period	-	-
As at 31 December	446,808	446,808

17. Other reserves

Other reserves relates to the revaluation of the Group's 39.433% PPS Capital Commitment in Abris CEE Mid-Market Fund II GP LP held via its subsidiary Abris CEE Mid-Market Fund II GP Limited, 39.48% PPS Capital Commitment in Abris CEE Mid-Market Fund III GP LP held via its subsidiary Abris CEE Mid-Market Fund III GP Limited and the 7.893% interest in Edgeborough Partners LP via the subsidiary Burnwater Limited. During 2018 the subsidiaries Edgeborough Co-Investments (GP) Ltd and Edgeborough Partners II (GP) Ltd were transferred investments in Edgeborough Co-Investments LP and Edgeborough Partners II LP respectively - revaluations of these investments are included in the revaluation reserve.

	Group 2020 €	Group 2019 €
At 1 January	4,881,997	4,244,157
Gain / (loss) on revaluation of equity instruments	1,207,568	637,840
At 31 December	6,089,566	4,881,997

18. Trade and other payables

	Group 2020 €	Group 2019 €	LLP 2020 €	LLP 2019 €
Placing fees payable	109,453	591,394	-	-
Other creditors	354,751	143,578	129,099	62,397
Trade payables	353,924	201,644	3,656	2,707
Lease liabilities less than one year	528,902	267,490	-	-
Accruals	7,622,856	5,952,194	835,504	825,075
	8,969,886	7,156,300	968,259	890,179

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

CROSSLANE PARTNERS LLP

Notes to the consolidated financial statements (continued) For the year ended 31 December 2020

19. Long term liabilities

	Group 2020 €	Group 2019 €	LLP 2020 €	LLP 2019 €
Lease liabilities greater than one year but not more than five years	<u>312,773</u>	<u>541,996</u>	-	-
	<u>312,773</u>	<u>541,996</u>	-	-

The Group adopted IFRS 16 with an initial application date of 1 January 2019. The Group applied the modified retrospective approach transition method and has present right-of-use assets separately in the Statement of financial position, and lease liabilities are included in current and long term liabilities in the Statement of financial position.

20. Related party transactions

The following transactions were carried out with related parties:

The Group's subsidiary CEE Equity Partners Limited made investment commitment loans totalling €Nil during the period (2019: €1,285,697) to the related party CEE Executive Team LP, bringing the total loan amount to €5,956,845 as at 31 December 2020 (2019: €5,956,845). These investment loans accrue no interest and have no fixed repayment date.

The Partnership received investment advisory services fees totalling €2,063,500 (2019: €2,088,000) during the year from Abris CEE Holdings with €25,418 outstanding fees and €660,000 accrued income at the year end (2019: €44,115 outstanding fees and €689,000 accrued income).

21. Ultimate controlling party

The Group is considered to have no ultimate controlling party.

22. Post balance sheet events

As at 28 September 2021, there are no material events after the reporting date which would have a bearing on the understanding of the financial statements.

On 14 September 2021 an amended and restated Limited Partnership Agreement was signed by the Members which both cancelled units and issued new units to the existing Members. As this was effective from 14 September 2021 it has no bearing on the reporting in these financial statements.