

RoundShield Partners LLP

Partnership number: OC388586

Members' Report and Audited Financial Statements

For the year ended 31 March 2022

FRIDAY



AB99WGI2

A13

29/07/2022

#226

COMPANIES HOUSE

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

TABLE OF CONTENTS

	Page
MEMBERS' REPORT	1
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	4
STATEMENT OF COMPREHENSIVE INCOME	6
STATEMENT OF FINANCIAL POSITION	7
STATEMENT OF CHANGES IN EQUITY	9
STATEMENT OF CASH FLOW	10
NOTES TO THE FINANCIAL STATEMENTS	11

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

GENERAL INFORMATION

Registered Office:

2 Foubert's Place
200-206 Regent Street
London
W1F 7PA

Members of the LLP:

Gareth Fowler (admitted 1 October 2019)
Maximillian Leeb (admitted 1 October 2019)
Herbert Beckmann (admitted 31 January 2020)
Kevin Buckett (admitted 31 January 2020)
Designated members:
Driss Benkirane (admitted 17 October 2013)
Jonas Hybinette (admitted 17 October 2013)

Bankers:

Silicon Valley Bank
Alphabeta
14-18 Finsbury Square
London
EC2A 1BR

Auditors:

Blick Rothenberg Audit LLP
16 Great Queen Street
Covent Garden
London
WC2B 5AH

Legal Advisors:

Sidley Austin LLP
70 St Mary Axe
London
EC3A 8BE

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

MEMBERS' REPORT

The members present their report and the audited financial statements for RoundShield Partners LLP (the 'Partnership') for the year ended 31 March 2022.

Principal activities

The principal activity of the Partnership is the provision of investment advisory and asset management services to RoundShield Fund I, LP, RS Fund II, LP, RS Fund III, LP, RS Co-Invest III, LP, Les Bordes, LP, RS Fund IV LP and their associated investment vehicles.

Review of business

The result for the year, and the financial position at the 2022 year end, were considered satisfactory by the members. Advisory fees from RoundShield Fund I, LP, RS Fund II, LP, RS Fund III, LP, RS Co-Invest III, LP, Les Bordes, LP and RS Fund IV, LP were received during the year. The members do not anticipate any change in the nature of these activities going forward.

Given the recent growth phase of the business, the Partnership's members are of the opinion that analysis using key performance indicators is not necessary for understanding the development, performance and position of the business.

Results for the year and allocations to members

The profit for the year before members' remuneration and profit shares was £4,323,798 (2021: £6,076,931) as shown on page 6 and guaranteed profit allocations of £nil (2020: £645,707) were made to members during the year. The Partnership's statement of financial position shows total members' interests of (£69,126) (2021: £1,683,209).

Members' indemnities

The Partnership has qualifying third party indemnity provisions for the benefit of its members, which remain in force at the date of this report.

Members' profit allocation

Any profits are shared among the members as decided by the Managing Member and governed by the Supplementary Terms to the Amended and Restated Partnership agreement dated 31 January 2020.

Policy for members' drawings, subscriptions and repayment of members' capital

Policies for members' drawings, subscriptions and repayment of members' capital are governed by the Amended and Restated Partnership agreement dated 31 January 2020, and the respective terms of admission for each partner. The Partnership is subject to FCA capital requirements, and has been determined to be a non-SNI MIFIDPRU Firm, and as such is required to maintain capital resources in excess of the highest of the Firm's Permanent Minimum capital Requirement, Fixed Overheads Requirement; or K-factor Requirement subject to certain transitional provisions.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

MEMBERS' REPORT (continued)

Charitable donation

During the year, the Partnership made charitable donations of £752 (2021: £3,307).

Going Concern

These financial statements have been prepared on the going concern basis. The members believe that this is appropriate as they have a reasonable expectation that the Partnership has adequate resources to meet its liabilities as they fall due for the foreseeable future.

Financial risk management

The financial risk management of the Partnership is detailed in note 3 of the Partnership's financial statements.

COVID-19

The Partners continue to monitor the impact of Coronavirus ("COVID-19"), as a developing situation and the assessment of this situation will need continued attention and will evolve over time. The assessment of the situation will need continued attention and will evolve further over time. Given the rapid development and fluidity of the COVID-19 virus makes it difficult to predict the ultimate impact at this stage.

Statement of members' responsibilities in respect of the financial statements

The members 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 (the "Regulations") requires the members to prepare financial statements for each financial year. Under that law the members have prepared the Partnership financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

MEMBERS' REPORT (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 Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MEMBERS' REPORT (continued)

Disclosure of information to the auditors

The members who were members of the Partnership at the time of approving the members' report are listed on the General Information page. Each of these members confirms that:

- to the best of each member's knowledge and belief, there is no information relevant to the preparation of their report of which the Partnership's auditors are unaware; and
- each member has taken all the steps a member might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Partnership's auditors are aware of that information.

Independent auditors

Blick Rothenberg Audit LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the members' meeting held to approve these financial statements.

On behalf of the members



D Benkirane

Managing member

For and on behalf of RoundShield Partners LLP

26 July 2022

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROUNDSHIELD PARTNERS LLP for the year ended 31 March 2022

Opinion

We have audited the financial statements of RoundShield Partners LLP (the 'LLP') for the year ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2022 and of the LLP's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

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

Conclusions relating to going concern

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 LLP'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.

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, 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.

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

We have nothing to report in this regard.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROUNDSHIELD PARTNERS LLP for the year ended 31 March 2022 (continued)

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.

Responsibilities of members

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

In preparing the financial statements, the members are responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the LLP 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 auditors' 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.

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:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, and non-compliance with laws and regulations, our procedures included the following: enquiring of management concerning the LLP's policies with regards identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; enquiring of management concerning the LLP's policies detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; enquiring of management concerning the LLP's policies in relation to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations; discussing among the engagement team where fraud might occur in the financial statements and any potential indicators of fraud; and obtaining an understanding of the legal and regulatory framework that the LLP operates in and focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the LLP. The key laws and regulations we considered in this context included the UK Companies Act 2006, the Financial Services and Markets Act 2000 and applicable tax legislation.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROUNDSHIELD PARTNERS LLP for the year ended 31 March 2022 (continued)

One particular focus area was the risk of fraud through management override of controls. Our procedures to respond to risks identified included the following: performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; reviewing the bank statements of the LLP for evidence of any large or unusual activity which may be indicative of fraud; enquiring of management in relation to any potential litigation and claims; and testing the appropriateness of journal entries and other adjustments.

Another focus area was non-compliance with the rules of the Financial Conduct Authority ('the FCA'). The LLP was authorised and regulated by the FCA throughout the period. Our procedures to respond to risks identified included the following: reviewing correspondence between the LLP and the FCA, performing analytical review to detect receipts of client money and remaining alert to the possibility of accidental receipt of client monies; and discussion of regulatory matters with the appointed officers of the LLP.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the members and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the LLP's members, as a body, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Snook (senior statutory auditor)
for and on behalf of
Blick Rothenberg Audit LLP
Chartered Accountants
Statutory Auditor

16 Great Queen Street
Covent Garden
London
WC2B 5AH
Date: 26 July 2022

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2022

	Note	2022 £	2021 £
Revenue		21,416,783	21,800,709
Expenses			
Personnel expenses	13	(5,445,302)	(4,273,476)
General and administrative expenses	14	(11,220,094)	(10,996,888)
Depreciation	6	(56,364)	(59,809)
Depreciation of right-of-use assets	7	(251,852)	(301,471)
Loss on disposal of fixed assets		-	-
Total operating expenses		(16,973,612)	(15,628,644)
Operating profit		4,443,171	6,172,085
Interest expense		(116,492)	(91,299)
Foreign exchange gain/(loss)		(2,881)	(3,835)
Profit for the financial year before members' remuneration and profit shares		4,323,798	6,076,931
Members' remuneration charged as an expense		-	(645,707)
Profit for the financial year available for discretionary division among members		4,323,798	5,431,224
Total comprehensive income for the year		4,323,798	5,431,224

The notes on pages 11 to 22 are an integral part of these financial statements.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Note	2022 £	2021 £
Assets			
Non-current assets			
Right of use asset	7	1,887,101	2,227,612
Office equipment	6	13,409	18,238
Computer equipment	6	8,625	16,429
Furniture and fixtures	6	264,410	303,771
Investments	8	10,916	10,816
Total non-current assets		2,184,461	2,576,866
Current assets			
Trade and other receivables	9	1,515,452	1,847,565
Cash and cash equivalents	10	622,798	715,910
Amounts due from members	12	258,960	-
Total current assets		2,397,210	2,563,475
Total assets		4,581,671	5,140,341
Current liabilities			
Trade and other payables	11	2,239,441	971,226
Lease liabilities	7	284,804	288,538
Total current liabilities		2,524,245	1,259,764
Non-current liabilities			
Lease liabilities	7	1,867,592	2,197,548
		1,867,592	2,197,548
Total liabilities		4,391,837	3,457,312
Total equity			
Members' capital classified as equity	12	189,834	189,834
Other reserves		-	-
Total equity		189,834	189,834
Loans and other debts due to members within one year	12	-	1,493,195
Total equity and liabilities		4,581,671	5,140,341

The notes on pages 11 to 22 are an integral part of these financial statements.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

Total members' interests

Members' capital classified as equity		189,834	189,834
Other reserves		-	-
Amounts due from members		(258,960)	-
Loans and other debts due to members		-	1,493,195
Total members' interests	12	(69,126)	1,683,029

The financial statements were authorised for issue by the members on 26 July 2022 and were signed on its behalf by:



D Benkirane
Managing member

The notes on pages 11 to 22 are an integral part of these financial statements.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2022

	Members' capital classified as equity £	Other reserves £	Total equity £
At 01 April 2020	199,834	-	199,834
<i>Comprehensive income for the year</i>			
Profit for the year available for division among Members	-	5,431,224	5,431,224
Total comprehensive income	-	5,431,224	5,431,224
<i>Transactions with owners</i>			
Profit allocated during the year	-	(5,431,224)	(5,431,224)
Changes in capital	(10,000)	-	(10,000)
Total of transactions with owners	(10,000)	(5,431,224)	(5,441,224)
At 31 March 2021	189,834	-	189,834
At 01 April 2021	189,834	-	189,834
<i>Comprehensive income for the year</i>			
Profit for the year available for division among Members	-	4,323,798	4,323,798
Total comprehensive income	-	4,323,798	4,323,798
<i>Transactions with owners</i>			
Profit allocated during the year	-	(4,323,798)	(4,323,798)
Changes in capital	-	-	-
Total of transactions with owners	-	(4,323,798)	(4,323,798)
At 31 March 2022	189,834	-	189,834

Other reserves represent net profits available for discretionary distribution amongst the LLP's Members.

The notes on pages 11 to 22 are an integral part of these financial statements.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

STATEMENT OF CASH FLOWS

For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flow from operating activities			
Profit for the Year		4,323,798	6,076,952
Adjustments for non-cash income and expenses			
Depreciation of non-current assets	6	56,364	56,809
Depreciation of right-of-use asset	7	251,852	301,471
Loss on disposal of fixed assets		-	-
Lease liability interest		116,492	91,299
Changes in operating assets and liabilities			
(Increase)/decrease in trade and other receivables	9	332,113	(719,507)
Increase/(decrease) in trade and other payables	11	1,268,218	(991,985)
Net cash inflow from operating activities		6,348,837	4,815,039
Cash flow from investing activities			
Purchase of fixed assets	6	(4,370)	(22,900)
Purchase of investments		(100)	-
Net cash outflow from investing activities		(4,470)	(22,900)
Cash flow from financing activities			
Payments to members	12	(6,075,953)	(5,362,327)
Changes in members capital		-	(10,000)
Lease payments		(361,530)	(451,913)
Net cash (outflow)/inflow from financing activities		(6,437,481)	(5,824,240)
Net (decrease)/increase in cash and cash equivalents		(93,112)	(1,032,101)
Cash and cash equivalents at beginning of the year		715,910	1,748,011
Cash and cash equivalents at end of the year	10	622,798	715,910

The notes on pages 11 to 22 are an integral part of these financial statements.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS

1. Reporting entity

RoundShield Partners LLP (the "Partnership") is a limited liability partnership formed in England and Wales.

The address of its registered office is 2 Foubert's Place, 200-206 Regent Street, London W1F 7PA. The Partnership's principal activities are that of providing investment advisory and asset management services to RoundShield Fund I, LP, RS Fund II, LP, RS Fund III, LP, RS Co-Invest III, LP, Les Bordes, LP, RS Fund IV, LP and their associated investment vehicles. Effective 3 January 2017, the Partnership became authorised and regulated by the Financial Conduct Authority.

The financial statements are for the year ended 31 March 2022. Comparatives are for the prior year to 31 March 2021.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements, which have been consistently applied to all the periods presented, are set out below:

2.1 Basis of presentation

The Partnership's financial statements for the year ended 31 March 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union, IFRIC Interpretations, the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 and where appropriate the Statement of Recommended Practice - "Accounting by Limited Liability Partnerships" issued in December 2018. They have been prepared on the going concern basis, under the historical cost convention and are presented in Pounds Sterling.

The Partnership classifies its expenses by the nature of expense method.

The statement of cash flow shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities. Note 10 shows which items of the statement of financial position cash and cash equivalents are included.

The statement of cash flows has been prepared using the indirect method by which net cashflow from operating activities is adjusted for non-cash transaction and movements in Balance Sheet accounts relating to operating activities.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Partnership's accounting policies. Any changes to assumptions may have a significant impact on the financial statements for the period over which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Partnership's financial statements, therefore, present the financial position and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

As permitted by section 399 of the Companies Act 2006, as applied to LLPs, the Partnership is exempt from preparing consolidated financial statements.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

Adoption of new and revised accounting standards

The Partnership did not adopt new or amended standards in the year that have yet to become effective.

2.2 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Partnership are measured in Pounds Sterling, being the currency of the primary economic environment in which the Partnership operates (the functional currency).

Transactions and balances

Foreign currency transactions are transactions denominated, or that require settlement, in a foreign currency, which are translated into the functional currency using the exchange rates prevailing at the dates of the relevant transactions.

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency 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, except when deferred in equity as gains or losses from qualifying cash flow hedging instruments or qualifying net investment hedging instruments.

2.3 Revenue recognition

Revenue, which is stated net of value added tax, represents fees receivable from the supply of investment management and advisory services.

2.4 Cash and cash equivalents

For the purpose of the statement of cash flow, cash and cash equivalents comprise cash at bank belonging to Partnership. Client expense deposits held by the Partnership are excluded.

2.5 Trade and other receivables

Trade and other receivables are recognised at cost less any provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Partnership will not be able to collect all amounts due according to the original terms of the

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

receivable. The amount of the provision is the difference between the original carrying amount and the recoverable amount and this difference is recognised in the statement of comprehensive income.

2.6 Trade and other payables

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest and are recognised on an accrual's basis.

2.7 Leases

The lease entered into is an operating lease. The total payments made under the operating lease are charged to other operating expenses in the statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the year in which termination takes place.

In the year-ended 31 March 2020 after transition to IFRS16 leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value assets and leases with a duration of 12 months or less. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease. Right of use assets are initially measured at the amount of the lease liability.

Right of use assets are amortised on a straight-line basis over the remaining term of the lease.

2.8 Property, plant and equipment

All property, plant and equipment used by the Partnership are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Partnership and the cost of the item can be measured reliably.

Depreciation of assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Right of use asset: 10 years
- Office equipment: 5 years
- Computer equipment: 3 years
- Furniture and fittings: 5-10 years

The assets' residual values and useful lives are reviewed, are adjusted if appropriate, at each date of the statement of financial position. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in other operating expenses in the statement of comprehensive income.

2.9 Investments

Investments in subsidiaries are stated at cost less any provision for impairments.

2.10 Taxation

No taxation is reflected in the accounts as tax is borne by the individual members in a personal capacity on their attributable profit shares and not the Partnership.

2.11 Members' remuneration

A member's discretionary share in the profit or loss for the year is accounted for as an allocation of profits. Unallocated profits and losses are included within other reserves. Automatic allocations of profit are shown within the profit and loss account.

The allocation of profits is governed by Schedule 2 of the Amended Partnership Agreement dated 31 January 2020, the Supplementary Terms and their respective Agreed Terms.

2.12 Members' capital

Eligible members' capital in accordance with the Financial Conduct Authority provisions of IPRU(INV) is classified as equity. Other members' capital is automatically repayable on retirement and accordingly is classified as a liability. Members' capital is not interest bearing.

3. Financial risk management

3.1 Foreign exchange risk

The Partnership's functional currency is Pounds Sterling and therefore takes on exposure to the effect of fluctuations in currencies other than Pounds Sterling which it transacts in. The Partnership receives income in Pound Sterling and Euro and also incurs expenses in currencies other than Pounds Sterling. Currently the exposures are immaterial.

3.2 Credit risk

Credit risk is the risk of suffering financial loss should the Partnership's customers, clients or counterparties fail to fulfil their contractual obligations to the Partnership. The Partnership's core business is primarily to advise RoundShield Fund I, LP, RS Fund II, LP as well as RS Fund III, LP, RS Co-Invest III, LP, Les Bordes, LP, RS Fund IV, LP and their associated investment vehicles on investment decisions and/or manage investment assets. As a result the Partnership is not exposed to any material third party credit risk as all receivables are due from related companies.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

3.3 Liquidity risk

Liquidity risk is the risk that the Partnership is unable to meet its obligations when they fall due as a result of cash requirements from contractual commitments or other cash flows. The Partnership has a regular and predictable income stream and cash flow. These are carefully managed to ensure sufficient cash is held at the bank to fulfil the Partnership's on-going commitments.

As at 31 March 2022, the Partnership held cash at bank amounting to £622,798 (2021: £715,910) and receivables and prepayments of £1,515,452 (2021: £1,847,565) against the current financial liabilities of £2,524,248 (2021: £1,259,764).

3.4 Capital management

The Partnership's objectives when managing capital are to safeguard the Partnership's ability to continue as a going concern in order to provide returns for members and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Partnership is subject to FCA capital requirements, and has been determined to be a non-SNI MIFIDPRU Firm, and as such is required to maintain capital resources in excess of the highest of the Firm's Permanent Minimum capital Requirement, Fixed Overheads Requirement; or K-factor Requirement subject to certain transitional provisions.

4. Critical accounting estimates and judgments

The Partnership's financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management's judgement, which necessarily have to be made in the course of preparation of the financial statements.

The Partnership determines estimates and assumptions that affect the reported amounts of assets and liabilities for the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard.

Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. The application of accounting policies and management's judgements for certain items are especially critical for the Partnership's results and financial situation due to their materiality. No estimates are considered critical in the preparation of these financial statements.

5. Significant Agreements

5.1 Advisory fee

In accordance with clause 8 of the Fund Advisor Agreements (the "Agreements") between the Partnership and the RoundShield Fund I, GP, RS Fund II, GP, RS Fund III, GP, RS Co-Invest III, GP, Les Bordes, GP and RS Fund IV, GP (together, the "GPs"), the Partnership is entitled to receive a fee for the services provided to the GPs. The amount received in the year was £21,194,944 (2021: £21,789,209).

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)**5.2 Office lease**

On 8 March 2019, the Partnership entered into a lease agreement with The Crown Estate Commissioners (the "Landlord").

The lease started on 8 March 2019 and is due to expire on 7 March 2029. There is a break clause of 7 March 2022 but there is no intention to exercise this. The key elements of the lease are:

- *Demise* – The fifth floor of 200-206 Regent Street and 2 Foubert's Place, London W1.
- *Rent* – The initial annual rent reserved (exclusive of VAT, service charge and insurance) will be calculated at a rate of £361,530 per annum exclusive.
- *Rent free period* – one year rent free period from the term commencement date of 8 March 2019.

6. Non-current assets

	Office equipment £	Computer equipment £	Furniture and fixtures £	Total £
Cost				
Opening at 01 April 2020	32,878	44,260	411,531	488,489
Additions during the year	650	5,164	17,086	22,900
Disposal during the year	-	-	-	-
Balance as at 31 March 2021	33,528	49,421	428,437	511,389
Accumulated depreciation				
Opening at 01 April 2020	8,619	20,759	86,765	116,143
Charges for the year	6,671	12,236	37,901	56,809
Eliminated on disposal	-	-	-	-
Balance as at 31 March 2021	15,290	32,995	124,666	172,951
Net book value at 31 March 2021	18,238	16,429	303,771	338,438
Cost				
Opening at 01 April 2021	33,528	49,424	428,437	511,389
Additions during the year	2,069	2,301	-	4,370
Disposal during the year	-	(2,960)	(54,737)	(57,697)
Balance as at 31 March 2022	35,597	48,765	373,700	458,062
Accumulated depreciation				
Opening at 01 April 2021	15,290	32,995	124,666	172,951
Charges for the year	6,898	10,105	39,361	56,364
Eliminated on disposal	-	(2,960)	(54,737)	(57,697)
Balance as at 31 March 2022	22,188	40,140	109,290	171,618
Net book value at 31 March 2022	13,409	8,625	264,410	286,444

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)**7. Leases**

Right of use assets	Land and buildings £	Total £
As at 01 April 2020	2,531,068	2,531,068
Adjustments	(1,985)	(1,985)
Depreciation	(301,471)	(301,471)
As at 31 March 2021	<u>2,227,612</u>	<u>2,227,612</u>
Adjustments	(88,659)	(88,659)
Depreciation	(251,852)	(251,852)
As at 31 March 2022	<u>1,887,101</u>	<u>1,887,101</u>

Lease liabilities

At 31 March 2022	Less than 1 year	1-2 years	2-5 years	More than 5 years
Lease liabilities	284,801	294,478	947,780	625,337

The interest rate is charged at 3.75%.

8. Investments

The principal subsidiaries of RoundShield Partners LLP, whose results have not been included in these financial statements, are as follows:

Name	Country of incorporation and principal place of business	Proportion of ownership interest at 31 March 2022	Net assets as at year-end	Profit for the year
RoundShield Managers (Lux) SarL	Luxembourg	100%	€16,710	€29,002
RS Consumer Finance Limited	United Kingdom	100%	(£23,752)	(£30,839)
RS ISH Advisors Limited	United Kingdom	100%	-	-

Investments in subsidiaries

	2022 £	2021 £
RoundShield Managers (Lux) SarL	10,716	10,716
RS Consumer Finance Limited	100	100
RS ISH Advisors Limited	100	-
Total cash and cash equivalents	<u>10,916</u>	<u>10,816</u>

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)**9. Trade and other receivables**

	2022	2021
	£	£
Amounts due from related entities	321,824	269,362
Trade receivables	180,658	594,130
Other receivables	81,276	209,480
Rent deposit	121,185	137,272
VAT receivable	24,653	17,501
Prepayment and accrued income	785,856	619,820
Total trade and other receivables	1,515,452	1,847,565

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

10. Cash and cash equivalents

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following balance and exclude any client expense deposits held by the Partnership which have been netted off the related liability in these financial statements:

	2022	2021
	£	£
Cash at bank	622,798	715,910
Total cash and cash equivalents	622,798	715,910

The fair value of cash and cash equivalents approximates to the book value due to the short term maturity of these instruments.

11. Trade and other payables

	2022	2021
	£	£
Trade payables	127,549	16,487
Other taxes and social security costs	137,721	114,240
Accrued expenses	1,974,171	840,499
Total trade and other payables	2,239,441	971,226

Trade payables are unsecured, interest free and payable in the short term.

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)**12. Reconciliation of members' interests**

	Members' capital £	Other reserves £	Total members' other interests £	Loans & other debts due to members less amounts due from member in debtors £	Total £
For the year ended 31 March 2021					
Members' interests at 01 April 2020	199,834	-	199,834	778,570	978,404
Members' remuneration charged as an expense	-	-	-	645,707	645,707
Profit for the year available for discretionary division among members	-	5,431,224	5,431,224	-	5,431,224
Members' interests after profit for the year	199,834	5,431,224	5,631,058	1,424,277	7,055,335
Allocated profit for the year	-	(5,431,224)	(5,431,224)	5,431,224	-
Amounts withdrawn by members	-	-	-	(5,362,306)	(5,362,306)
Changes in members' capital	(10,000)	-	(10,000)	-	(10,000)
Members' interests at 31 March 2021	189,834	-	189,834	1,493,195	1,683,029
For the year ended 31 March 2022					
Members' interests at 01 April 2021	189,834	-	189,834	1,493,195	1,683,029
Members' remuneration charged as an expense	-	-	-	-	-
Profit for the year available for discretionary division among members	-	4,323,798	4,323,798	-	4,323,798
Members' interests after profit for the year	189,834	4,323,798	4,513,632	1,493,195	6,006,827
Allocated profit for the year	-	(4,323,798)	(4,323,798)	4,323,798	-
Amounts withdrawn by members	-	-	-	(6,075,953)	(6,075,953)
Changes in members' capital	-	-	-	-	-
Members' interests at 31 March 2022	189,834	-	189,834	(258,960)	(69,126)

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

Amounts due to and from members are as follows:

	2022	2021
	£	£
Amounts due from members	(258,960)	-
Loans and other debts due to members	-	1,493,195
	(258,960)	1,493,195

Members' other interests rank after unsecured creditors, and loans and other debts due to members rank pari passu with unsecured creditors in the event of a winding up. Amounts due from members represents amounts drawn in advance of available profits. The ability of the members of the LLP to reduce the amount of members' other interest is restricted by the regulatory capital requirements of the FCA.

13. Personnel expenses

	2022	2021
	£	£
Wages and salaries	4,651,505	3,729,459
NI Contributions	590,736	424,024
Pension Contributions	145,763	68,524
Other staff costs	57,298	51,469
	5,445,302	4,273,476
Total personnel expenses		
Total monthly average number of employees	28	25

14. General and administrative expenses

	2022	2021
	£	£
Rent and service charge	200,235	257,640
Traveling and entertainment	56,765	14,459
Printing and stationery	8,177	7,445
Telephone and mobile charges	40,879	37,193
IT system and market data	125,457	104,216
Professional fees	622,393	538,996
Advisory fees	9,847,682	9,764,151
Other expenses	318,506	272,788
Total general and administrative expenses	11,220,094	10,996,888

ROUNDSHIELD PARTNERS LLP

Partnership number: OC388586

For the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS (continued).**15. Information in relation to members**

	2022	2021
	£	£
Profit for the year available for discretionary division among income participating members	4,323,798	5,431,245
Total monthly average number of members	6	7

Profit attributable to the member with the largest entitlement to profit (including remuneration) for the year was £1,978,104 (2021: £2,178,663).

16. Related party transactions

RoundShield Fund I, GP, RS Fund II, GP, RS Fund III, GP, RS Co-Invest III, GP, Les Bordes, GP as well as RS Fund IV, GP (together, the "GPs") are controlled by Driss Benkirane, who is also a designated member of the Partnership. As detailed in Note 5.1, the Partnership received a fee for the services provided to the GPs in the year of £21,368,790 (2021: £21,789,209). As at the year-end, there were balances due to the Partnership of £nil (2021: £nil).

Advisory fees due from Les Bordes, GP were accrued in the year of £186,204 (2021: £306,684). As at the year-end accrued income from Les Bordes, GP was £722,893 (2021: £536,689).

RoundShield Mangers (Lux) SarL, a wholly owned subsidiary of the Partnership. As at the year-end date the balance due to the Partnership was €140,265 (2021: €140,265).

RS Consumer Finance Limited, a wholly owned subsidiary incurred expenses paid for by the Partnership totalling £nil (2021: £17,486). Services were provided to the subsidiary totalling £30,000 (2021: £3,000). As at the year-end date the balance to/(from) the Partnership was £67,540 (2021: £37,541).

Lake Place Advisory SarL a company under common control of the Partnership, charged fees in the year to the Partnership of £nil (2021: £nil). Expenses totalling £12,441 (2021: £38,279) were paid for on behalf of the company. As at the year-end date the balance due from the Partnership was £nil (2021: £nil).

17. Ultimate controlling party

The Partnership is controlled by Driss Benkirane by virtue of his voting rights.

18. Approval of financial statements

The financial statement were authorised for issue on 26 July 2022 by the designated member.