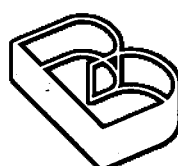
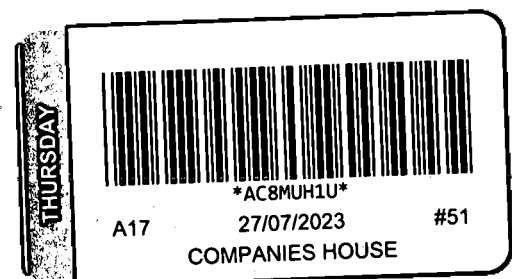


# Livingbridge Enterprise LLP Members' Report and Financial Statements

For the year ended 31 December 2022

Registered number: OC401650



LIVINGBRIDGE

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**Livingbridge Enterprise LLP**

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**Livingbridge Enterprise LLP**

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**Limited Liability Partnership Information**

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**Limited Liability Partnership Registered Number**

OC401650

**Designated Members**

O O Kolade  
S Egan

**Registered Office**

100 Wood Street  
London  
EC2V 7AN  
United Kingdom

**Independent Auditor**

KPMG LLP  
Statutory Auditor  
15 Canada Square  
London  
E14 5GL  
United Kingdom

**Bankers**

Lloyds Bank Plc  
39 Threadneedle Street  
London  
EC2R 8AU  
United Kingdom

**Legal Advisors**

Kirkland & Ellis International  
30 St Mary Axe  
London  
EC3A 8AF  
United Kingdom

Travers Smith LLP  
10 Snow Hill  
London  
EC1A 2AL  
United Kingdom

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## Livingbridge Enterprise LLP

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### Members' Report For the year ended 31 December 2022

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The Members present their annual report together with the audited financial statements (the "Financial Statements") of Livingbridge Enterprise LLP for the year ended 31 December 2022.

#### Firm Structure

Livingbridge Enterprise LLP ("the LLP") is a Limited Liability Partnership registered in England and Wales. The LLP was incorporated on 8 September 2015.

#### Principal Activities

The LLP's principal activity is to carry out investment management and advisory services and it is authorised and regulated by the UK Financial Conduct Authority (the "FCA").

The LLP is the Operator and Manager of a range of private equity investment vehicles structured as limited partnerships ("the Funds").

There have been no changes in the activities since the last annual report.

#### Designated Members

The Designated Members of the LLP during the year were as follows:

O O Kolade  
S Egan

#### Business Review

The LLP's turnover for the year was £8,418,772 (2021: £8,851,287) while the profit for the year before Members' remuneration and profit shares available for discretionary division among Members was £2,621,486 (2021: £3,698,042). Total Members' interest at year end amounted to £1,978,059 (2021: £921,043).

#### Going Concern

The financial position of the LLP and its liquidity are reflected in the Statement of Financial Position.

The Members have reviewed operating and cash flow forecasts of the LLP and have a reasonable expectation that the LLP will have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the Financial Statements. The LLP has predictable contractual revenue, tightly controlled expenditure, no external debt commitment nor contingent liabilities and access to liquidity and capital. Accordingly, the Members continue to adopt the going concern basis in preparing the Financial Statements.

#### Principal Risks and Uncertainties

##### Operational

From an operational perspective, the key risk of the LLP relates to the potential for non-compliance with the regulations issued by the FCA that could lead to the LLP being subject to a fine or a ban on its trading activities. This is managed through regular review of the LLP's compliance framework by Senior Management.

##### Future Developments

On 30 January 2023, the FCA approved the LLP's Variation of Permission application to become authorised as a full scope UK AIFM for all of the Funds which it manages.

There are no other plans which will significantly change the activities and risks of the LLP.

#### Members' Capital

At 31 December 2022 the LLP's Members' Capital consists of £1,000 of 'A' Capital (2021: £1,000), £9 of 'B' Capital (2021: £10), and £10,000 of Regulatory Capital (2021: £10,000). The aggregate amount of 'A' Capital, 'B' Capital and Regulatory Capital will be such amount as is in issue from time to time.

'A' Capital of £1,000 is fully subscribed to the LLP's immediate parent, Livingbridge Group LLP ("Group LLP"). 'A' Capital is repayable to a Member upon leaving the LLP.

## Livingbridge Enterprise LLP

### Members' Report (continued) For the year ended 31 December 2022

The other LLP Members subscribe to £1 of 'B' Capital on becoming a Member of the LLP and is repayable to them upon leaving the LLP.

Regulatory Capital is held in a bank account in the name of the LLP. This capital cannot be withdrawn to the extent it comprises regulatory capital required for the purposes of maintaining the adequacy of the LLP's financial resources.

No interest is payable by the LLP on any of the Members' Capital.

#### Members' Drawings and Allocations of Profits and Losses

The profits and losses of the LLP are allocated among the Members in accordance with the Limited Liability Partnership Agreement ("LLP Agreement").

The Members are entitled to take a monthly drawing, in expectation of an allocation of profits for the year, however this is subject to the working capital requirements of the LLP.

#### Principal subsidiaries

The LLP's subsidiaries, which together with the LLP constitutes the Group, at 31 December 2022 were:

Name	% Holding in subsidiary	Role	Registered office address
Livingbridge Enterprise GP Limited	100%	General partner of: Livingbridge Enterprise 1 LP	100 Wood Street London EC2V 7AN England
Livingbridge Enterprise GP LLP	98%	General partner of: Livingbridge Enterprise 2 LP	100 Wood Street London EC2V 7AN England
Livingbridge Enterprise 3 GP LLP	98%	General partner of: Livingbridge Enterprise 3 LP Livingbridge Enterprise 3 Global LP	100 Wood Street London EC2V 7AN England

All the above entities have an accounting year end of 31 December 2022.

#### Disclosure of Information to Auditor

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

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

#### Auditor

The Members have resolved that the auditor, KPMG LLP, should not be re-appointed.

This report was approved by the Members on 25<sup>th</sup> April 2023 and signed on their behalf by:

*Wol Kolade*

**O O Kolade**  
Managing Partner

*S Egan*

**S Egan**  
Chief Operating Officer

100 Wood Street  
London  
EC2V 7AN

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**Livingbridge Enterprise LLP**

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**Members' Responsibilities Statement  
For the year ended 31 December 2022**

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The Members are responsible for preparing the Members' Report and the Financial Statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the Members to prepare Financial Statements for each financial year. Under that law the Members have elected to prepare the Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the Members must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of its profit or loss 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the Members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its Financial Statements comply with those regulations. They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

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**Livingbridge Enterprise LLP**

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**Independent auditor's report to the Members of Livingbridge Enterprise LLP****Opinion**

We have audited the Financial Statements of Livingbridge Enterprise LLP ("the LLP") for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Reconciliation of Members' Interests and the related notes, including the accounting policies in note 2.

In our opinion the Financial Statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The members have prepared the Financial Statements on the going concern basis as they do not intend to liquidate the LLP or to cease its operations, and as they have concluded that the LLP's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the Financial Statements ("the going concern period").

In our evaluation of the members' conclusions, we considered the inherent risks to the LLP's business model and analysed how those risks might affect the LLP's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the members' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate;
- we have not identified, and concur with the members' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the LLP's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the LLP will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect***Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of members and the audit and risk committee as to the LLP's policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading the LLP's and the audit and risk committee meeting minutes; and
- Using analytical procedures to identify any usual or unexpected relationships.

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**Livingbridge Enterprise LLP**

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**Independent auditor's report to the Members of Livingbridge Enterprise LLP (continued)**

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue is generated from few sources and transactions are easily verifiable to external sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted to revenue and cash.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the Financial Statements from our general commercial and sector experience and through discussion with the members and other management (as required by auditing standards), and from inspection of the LLP's regulatory correspondence, and discussed with the members and other management the policies and procedures regarding compliance with laws and regulations. As the LLP is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the Financial Statements varies considerably.

Firstly, the LLP is subject to laws and regulations that directly affect the Financial Statements including financial reporting legislation (including related LLP legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related Financial Statement items.

Secondly, the LLP is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the Financial Statements, for instance through the imposition of fines or litigation or the loss of the LLP's regulatory permissions. We identified the following areas as those most likely to have such an effect: anti-bribery, regulatory capital and liquidity and certain aspects of LLP legislation recognising the financial and regulated nature of the LLP's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the members and other management and inspection of regulatory correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation.*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Other information**

The Members are responsible for the other information, which comprises the Members' Report. Our opinion on the Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our Financial Statements audit work, the information therein is materially misstated or inconsistent with the Financial Statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.



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## Livingbridge Enterprise LLP

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### Independent auditor's report to the Members of Livingbridge Enterprise LLP (continued)

#### Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required 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; or

We have nothing to report in these respects.

#### Members' responsibilities

As explained more fully in their statement set out on page 4, the members are responsible for: the preparation of the Financial Statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Statements.

A fuller description of our responsibilities is provided on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

#### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application 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 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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Chris Heseltine (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

15 Canada Square

London

E14 5GL

26<sup>th</sup> April 2023

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**Livingbridge Enterprise LLP**


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**Statement of Comprehensive Income**  
**For the year ended 31 December 2022**


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	Note	2022 £	2021 £
Turnover	4	8,418,772	8,851,287
Administrative expenses		(5,797,286)	(5,153,245)
<b>Profit and Total Comprehensive Income for the year before Members' remuneration and profit shares available for discretionary division among Members</b>	<b>5</b>	<b><u>2,621,486</u></b>	<b><u>3,698,042</u></b>

All the results arise from continuing operations.

There are no items pertaining to other comprehensive income in the current or preceding year.

The notes on pages 11 to 17 form part of these Financial Statements

**Livingbridge Enterprise LLP**  
**Registered number: OC401650**

**Statement of Financial Position**  
**As at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	8	197	100
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	9	30,902	10,000
Debtors: amounts falling due within one year	9	2,574,556	2,032,178
Cash and cash equivalents	10	7,626,681	3,209,925
		10,232,139	5,252,103
Creditors: amounts falling due within one year	11	(8,254,277)	(4,331,160)
<b>Net current assets</b>		1,977,862	920,943
<b>Net assets attributable to Members</b>		<u>1,978,059</u>	<u>921,043</u>
<b>Represented by:</b>			
<b>Loans and other debts due to Members within one year</b>			
Members' capital classified as debt		1,009	1,010
Other amounts		542,840	645,651
		543,849	646,661
<b>Members' other interests</b>			
Members' capital classified as equity		10,000	10,000
Other reserves classified as equity		1,424,210	264,382
		1,434,210	274,382
		<u>1,978,059</u>	<u>921,043</u>
<b>Total Members' interests</b>			
Loans and other debts due to Members within one year		543,849	646,661
Members other interests		1,434,210	274,382
		<u>1,978,059</u>	<u>921,043</u>

The Financial Statements were approved and authorised for issue by the Members on 25<sup>th</sup> April 2023 and were signed on their behalf by:



**S Egan**  
Designated Member

The notes on pages 11 to 17 form part of these Financial Statements

## Livingbridge Enterprise LLP

### Reconciliation of Members' Interests For the year ended 31 December 2022

	Equity Members' other interests			Debt Loans and other debts due to Members			Total Members' Interests £
	Members' capital (classified as equity) <sup>1</sup> £	Other reserves £	Total £	Members' capital (classified as debt) <sup>2</sup> £	Other amounts £	Total £	
<b>At 1 January 2021</b>	10,000	2,064,702	2,074,702	1,000	-	1,000	2,075,702
Profit for the year available for discretionary division among Members	-	3,698,042	3,698,042	-	-	-	3,698,042
<b>Members' interests after profit for the year</b>	10,000	5,762,744	5,772,744	1,000	-	1,000	5,773,744
Other division of profits	-	(5,498,362)	(5,498,362)	-	5,498,362	5,498,362	-
Members' 'B' Capital introduced	-	-	-	10	-	10	10
Drawings	-	-	-	-	(4,852,711)	(4,852,711)	(4,852,711)
<b>At 31 December 2021</b>	10,000	264,382	274,382	1,010	645,651	646,661	921,043
Profit for the year available for discretionary division among Members	-	2,621,486	2,621,486	-	-	-	2,621,486
<b>Members' interests after profit for the year</b>	10,000	2,885,868	2,895,868	1,010	645,651	646,661	3,542,529
Other division of profits	-	(1,461,658)	(1,461,658)	-	1,461,658	1,461,658	-
Members' "B" Capital repaid	-	-	-	(1)	-	(1)	(1)
Drawings	-	-	-	-	(1,564,469)	(1,564,469)	(1,564,469)
<b>At 31 December 2022</b>	<b>10,000</b>	<b>1,424,210</b>	<b>1,434,210</b>	<b>1,009</b>	<b>542,840</b>	<b>543,849</b>	<b>1,978,059</b>

#### Notes

- Members' Capital (classified as equity) of £10,000 (2021: £10,000) represents Regulatory Capital of £10,000 (2021: £10,000).
- Members' Capital (classified as debt) represents Members' 'A' Capital of £1,000 (2021: £1,000) and Members' 'B' Capital of £9 (2021: £10)

The notes on pages 11 to 17 form part of these Financial Statements

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**Livingbridge Enterprise LLP**

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**Notes to the Financial Statements  
For the year ended 31 December 2022**

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**1. General information**

Livingbridge Enterprise LLP ("the LLP") is a Limited Liability Partnership that is registered and domiciled in England and Wales in the United Kingdom. Its registered office and principal place of business is 100 Wood Street, London, EC2V 7AN.

**2. Accounting policies****2.1 Basis of preparation of Financial Statements**

These Financial Statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") as issued in January 2022 and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

The preparation of Financial Statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

**2.2 Going concern**

The Members have reviewed operating and cash flow forecasts of the LLP and have a reasonable expectation that the LLP will have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the Financial Statements. The LLP has predictable contractual revenue, tightly controlled expenditure, no external debt commitment nor contingent liabilities and access to liquidity and capital. Accordingly, the Members continue to adopt the going concern basis in preparing the Financial Statements.

**2.3 Exemption from preparing Consolidated Financial Statements**

The LLP is a parent LLP that is also a subsidiary included in the Consolidated Financial Statements of its immediate parent undertaking, Livingbridge Group LLP ("Group LLP"), established under UK law and is therefore exempt from the requirement to prepare Consolidated Financial Statements under section 400 of the Companies Act 2006.

**2.4 Financial reporting standard 102 - reduced disclosure exemptions**

The LLP has taken advantage of the exemptions from the following disclosure requirements in preparing these Financial Statements, as permitted by FRS 102:

- the requirement to include a Statement of Cash Flows as set out in Section 4 Statement of Financial Position, Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation;
- the requirements to include the categorisation of financial instruments as set out Section 11 Financial Instruments and Section 12 Other Financial Instruments;
- no disclosure has been given for the aggregate remuneration of key management personnel

This information is included in the Consolidated Financial Statements of Group LLP as at 31 December 2022 and these Financial Statements may be obtained from the Registrar in accordance with the requirements of the Companies Act 2006.

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**Livingbridge Enterprise LLP**

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**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2022**

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**2. Accounting policies (continued)****2.5 Foreign currency translation****Functional and presentation currency**

The LLP's functional and presentation currency is Pound Sterling ("£" or "GBP"). All amounts in the Financial Statements have been rounded to the nearest £.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'Interest receivable and similar income'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'Administrative expenses'.

**2.6 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the entity and can be reliably measured. Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover comprises of amounts receivable from the Funds in respect of the investment management and administration services provided to these entities. It also includes directors' fees and any fees in relation to advisory services provided directly to underlying investee companies of the Funds. All revenue is recognised on an accruals basis.

**2.7 Expenses**

Expenses are accounted for on an accruals basis.

**2.8 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.9 Taxation**

No provision has been made for UK taxation in the Financial Statements. Each Member is exclusively liable for any tax liabilities arising out of their interest in the LLP, which will be assessed on the individual Members and not on the LLP.

**2.10 Allocation of profits**

The profits and losses of the LLP are allocated among the Members in accordance with the LLP Agreement.

The LLP has no fixed obligation to allocate profits to Members. All profits are allocated on a discretionary basis. Accordingly, Members' allocations are shown as a deduction from Members' interests with any unallocated profits carried forward as other reserves classified as equity.

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**Livingbridge Enterprise LLP**

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**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2022**

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**2.11 Financial instruments**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.12 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.13 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.14 Cash and cash equivalents**

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

**2.15 Creditors**

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

**2.16 Loans and other debts due to Members**

Any cash drawings withdrawn from the LLP by Members in advance of discretionary profit allocations are recognised as a loan due from Members. Where profit allocations exceed drawings made by Members, this is represented as loans and other debts due to Members and are capable of being withdrawn by such Members but remain unpaid at the year end. The loans and other debts due to Members are repayable after all the other liabilities are settled.

**2.17 Members' capital**

Members' capital is classified as equity when it is not automatically repayable on retirement and is not interest bearing. Members' capital is classified as a liability when it's repayable to the Member on retirement.

## Livingbridge Enterprise LLP

### Notes to the Financial Statements (continued) For the year ended 31 December 2022

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

The preparation of these Financial Statements in accordance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies.

The Members note that there was no need to exercise any significant degree of judgment or estimation when determining the value and basis of recognition for the transactions and balances included in these Financial Statements. They are confident that any variation in the estimates used or judgments made would not have a significant impact on these Financial Statements or the results for the following year.

Estimates and judgments 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.

#### 4. Turnover

	2022 £	2021 £
<i>By activity:</i>		
Management fees from Funds	8,368,772	8,851,287
Management fee rebate to Funds	(1,443,509)	(1,783,311)
Net management fees from Funds	6,925,263	7,067,976
Directors' fees	1,443,509	1,161,561
Advisory fees	50,000	621,750
	<u>8,418,772</u>	<u>8,851,287</u>
<i>By geographical market:</i>		
United Kingdom	8,349,900	8,787,664
Europe	68,872	63,623
	<u>8,418,772</u>	<u>8,851,287</u>

#### 5. Profit available for discretionary division among Members

	2022 £	2021 £
Profit is stated after charging:		
Fees payable to the LLP's auditor for:		
- the audit of the LLP's and its subsidiaries' Financial Statements	24,062	31,950
Foreign exchange (gain) / loss	(5)	3,086
	<u>24,057</u>	<u>35,036</u>

The auditor received fees of £16,995 (2021: £16,000) during the year in respect of the provision of non-audit services to the LLP.

#### 6. Employees

The LLP does not have any employees (2021: none).



## Livingbridge Enterprise LLP

### Notes to the Financial Statements (continued) For the year ended 31 December 2022

#### 7. Information in relation to Members

	2022 Number	2021 Number
Average number of Members during the year	<u>11</u>	<u>11</u>
	2022 £	2021 £
Profit attributable to the Member with the largest entitlement	<u>530,769</u>	<u>1,189,014</u>

#### 8. Fixed asset investment

	Investments in subsidiaries £
<b>Cost</b>	
At 1 January 2022	100
Additions	98
Disposals	(1)
<b>At 31 December 2022</b>	<u><b>197</b></u>

The investment of £197 (2021: £100) comprises the shares in the LLP's subsidiaries as detailed in the Members' Report. The aggregate of the capital and reserves of the LLP's subsidiaries at 31 December 2022 was £10,115 (2021: £6,738) and the profit for the year ended on that date was £3,612 (2021: £4,025).

#### 9. Debtors

	2022 £	2021 £
<b>Due after more than one year</b>		
Amounts owed by Group undertakings	<u>30,902</u>	<u>10,000</u>
	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	497,615	306,750
Amounts owed by Funds	1,949,247	1,224,242
Amounts owed by related undertakings	87,694	433,008
Prepayments and accrued income	40,000	-
Other debtors	-	68,178
	<u><b>2,574,556</b></u>	<u><b>2,032,178</b></u>

#### 10. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>7,626,681</u>	<u>3,209,925</u>

## Livingbridge Enterprise LLP

### Notes to the Financial Statements (continued) For the year ended 31 December 2022

#### 11. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	35,036	15,433
Accruals and deferred income	1,795,101	983,879
Amounts due to Group undertakings	115,627	103,234
Amounts due to associated undertaking	-	1,200
Amounts due to Funds	939,033	1,369,305
Amounts due to related undertakings	5,338,863	1,807,582
Other creditors	30,617	50,527
	<u>8,254,277</u>	<u>4,331,160</u>

#### 12. Related party transactions

The LLP entered into the following transactions with other related parties during the year:

Transactions between the LLP and its wholly owned subsidiary have not been disclosed in accordance with section 33.1A of FRS 102.

	2022 £	2021 £
<b>Transactions with funds</b>		
<i>Management fee revenue</i>		
Livingbridge Enterprise 2 LP	1,156,537	1,560,088
Livingbridge Enterprise 3 LP	5,747,733	5,473,590
<b>Transactions with related undertakings</b>		
<i>Facilities and services fee expense</i>		
Livingbridge EP LLP	5,048,582	4,164,373
Livingbridge Services Limited	778,532	882,522

The following balances with related parties were owed to / (by) the LLP at year end:

	2022 £	2021 £
Livingbridge Enterprise 2 LP	(507,894)	(523,652)
Livingbridge Enterprise 3 LP	1,381,492	(837,403)
Livingbridge Enterprise GP LLP	10,000	9,093
Livingbridge Enterprise 3 GP LLP	10,902	10,000
Livingbridge EP LLP	(5,338,863)	(1,807,582)
Livingbridge Services Limited	87,694	433,008
Livingbridge VC LLP	-	(1,200)
Livingbridge Group LLP	-	(30,000)
	<u>(4,356,669)</u>	<u>(2,747,736)</u>

All balances are interest free and are repayable on demand.

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**Livingbridge Enterprise LLP**

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**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2022**

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**12. Related party transactions (continued)****Key management personnel**

The Members of the LLP are considered to be its key management personnel and the aggregate of transactions with Members is disclosed in the Reconciliation of Members' Interest on page 10.

**13. Parent entity and controlling party**

The LLP's immediate and ultimate parent entity is Livingbridge Group LLP ("Group LLP"), a limited liability partnership incorporated in England and Wales.

The group headed by Group LLP is the smallest and largest group that prepares Consolidated Financial Statements which includes the LLP and which are publicly available from Group LLP's registered office located at 100 Wood Street, London, EC2V 7AN.

There is no ultimate controlling party of Group LLP as control of that entity is shared by its Members.

**14. Subsequent events**

On 30 January 2023, the FCA approved the LLP's Variation of Permission application to become authorised as a full scope UK AIFM. Effective from this date, the LLP is subject to increased regulatory capital requirements. As a result, £1,190,000 of equity reserves were transferred to the Regulatory Capital Account, increasing the Regulatory Capital held by the LLP from £10,000 to £1,200,000 to meet its increased regulatory capital requirements.

There were no other subsequent events that require disclosures in, or adjustment to these Financial Statements.