

Outlier Capital LLP

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2021

Outlier Capital LLP

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Financial Statements	<u>3</u> to <u>9</u>

Outlier Capital LLP

(Registration number: OC404177)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	<u>3</u>	1,208,963	650,739
Investments	<u>4</u>	1,504,835	623,095
		<u>2,713,798</u>	<u>1,273,834</u>
Current assets			
Debtors	<u>5</u>	65,831	280,285
Cash and short-term deposits		<u>3,090,567</u>	<u>73,991</u>
		3,156,398	354,276
Creditors: Amounts falling due within one year	<u>6</u>	<u>(510,298)</u>	<u>(186,276)</u>
Net current assets		<u>2,646,100</u>	<u>168,000</u>
Total assets less current liabilities		5,359,898	1,441,834
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>-</u>	<u>(526,920)</u>
Net assets attributable to members		<u>5,359,898</u>	<u>914,914</u>
Total members' interests			
Loans and other debts due to members		3,056,860	(286,286)
Equity		<u>2,303,038</u>	<u>1,201,200</u>
		<u>5,359,898</u>	<u>914,914</u>

The notes on pages 3 to 9 form an integral part of these financial statements.

Outlier Capital LLP

(Registration number: OC404177)

Balance Sheet as at 31 March 2021 (continued)

For the year ending 31 March 2021 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied to limited liability partnerships, relating to small entities.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, as applied to small limited liability partnerships.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime, as applied to limited liability partnerships, and the option not to file the Profit and Loss Account has been taken.

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

The financial statements of Outlier Capital LLP (registered number OC404177) were approved by the Board and authorised for issue on 15 December 2021. They were signed on behalf of the limited liability partnership by:

Mr S Apel
Designated member

Outlier Capital LLP

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

General information and basis of accounting

The limited liability partnership is incorporated in England and Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of Outlier Capital LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the limited liability partnership operates. Foreign operations are included in accordance with the policies set out below.

Going concern

The partnership has substantial cash balances which enables it to pay its debts as they fall due for the foreseeable future and to this end, the partnership has continued to prepare its financial statements on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for consultancy services in connection with the provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The limited liability partnership recognises revenue when all of the following conditions are satisfied:

- the amount of revenue can be reliably measured;
- all of the significant risks and rewards of ownership have been transferred to the customer;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the Limited Liability Partnerships's activities.

Outlier Capital LLP

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

1 Accounting policies (continued)

Members' remuneration and division of profits

The SORP recognises that the basis of calculating profits for allocation may differ from the profits reflected through the financial statements prepared in compliance with recommended practice, given the established need to seek to focus profit allocation on ensuring equity between different generations and populations of members.

Consolidation of the results of certain subsidiary undertakings, the provision for annuities to current and former members, pension scheme charges, the spreading of acquisition integration costs and the treatment of long leasehold interests are all items which may generate differences between profits calculated for the purpose of allocation and those reported within the financial statements. Where such differences arise, they have been included within other amounts in the balance sheet.

Foreign currency

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Taxation

The taxation payable on the partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets

Intangible assets relate to intangible assets at cost and revalued intangibles.

Intangible assets at cost relate to cryptocurrency option agreements which are measured at cost less accumulated impairment and illiquid cryptocurrency tokens received from staking rewards which are measured at market value on the date they are received less accumulated impairment.

Revalued intangibles relate to liquid cryptocurrencies that have a very active trading market and can be readily converted to cash. Liquid cryptocurrencies are initially measured at cost and are subsequently measured at fair value, with changes in fair value recognised in other comprehensive income.

Outlier Capital LLP

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

1 Accounting policies (continued)

Fixed asset investments

Investments into equity or tokens which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment. Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the limited liability partnership does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the partnership has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Members' interests

Amounts due to members after more than one year comprise provisions for annuities to current members and certain loans from members which are not repayable within twelve months of the balance sheet date.

2 Particulars of employees

The limited liability partnership does not employ any staff and therefore the average number of employees during the year was 0 (2020 - 0).

Outlier Capital LLP

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

3 Intangible fixed assets

	Revalued intangibles £	Intangibles at cost £	Total £
Cost			
At 1 April 2020	-	650,739	650,739
Additions	416,448	265,452	681,900
Disposals	-	(148,363)	(148,363)
Fair value gain	24,687	-	24,687
	<hr/>	<hr/>	<hr/>
At 31 March 2021	441,135	767,828	1,208,963
	<hr/>	<hr/>	<hr/>
Impairment			
At 1 April 2020	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2021	-	-	-
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2021	441,135	767,828	1,208,963
	<hr/>	<hr/>	<hr/>
At 31 March 2020	-	650,739	650,739
	<hr/>	<hr/>	<hr/>

4 Investments held as fixed assets

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2020	101	101
Additions	290,870	290,870
	<hr/>	<hr/>
At 31 March 2021	290,971	290,971
	<hr/>	<hr/>
Net book value		
At 31 March 2021	290,971	290,971
	<hr/>	<hr/>
At 31 March 2020	101	101
	<hr/>	<hr/>

Outlier Capital LLP

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

4 Investments held as fixed assets (continued)

Details of undertakings

Details of the investments in which the limited liability partnership holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
-------------	--------------------------	---------	---	--------------------

Subsidiary undertakings

Outlier Ventures Operations Limited New Broad Street House, 35 New Broad St, London EC2M 1NH	England and Wales	Ordinary	100 %	Provision of consultancy services
Outlier Ventures Participations Limited New Broad Street House, 35 New Broad St, London EC2M 1NH	England and Wales	Ordinary	100 %	Investing in startups
Outlier Ventures Services Limited New Broad Street House, 35 New Broad St, London EC2M 1NH	England and Wales	Ordinary	100 %	Advisory/Consulting services

Subsidiaries

The financial period end of Outlier Ventures Operations Limited is 31 March.

The financial period end of Outlier Ventures Participations Limited is 30 April.

The financial period end of Outlier Ventures Services Limited is 31 March.

Outlier Capital LLP

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

4 Investments held as fixed assets (continued)

Other investments

	Unlisted investments £	Total £
Cost		
At 1 April 2020	622,994	622,994
Additions	590,870	590,870
At 31 March 2021	1,213,864	1,213,864
Net book value		
At 31 March 2021	1,213,864	1,213,864
At 31 March 2020	622,994	622,994

5 Debtors

	2021 £	2020 £
Amounts owed by group undertakings	-	276,354
Other debtors	5,432	3,931
Prepayments and accrued income	60,399	-
	65,831	280,285

6 Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	14,659
Amounts owed to group undertakings	424,750	1
Accruals and deferred income	85,548	113,608
Taxation and social security	-	58,008
	510,298	186,276

7 Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Convertible loans	-	526,920

Outlier Capital LLP

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

8 Related party transactions

Summary of transactions with other related parties

During the prior year the partnership purchased unlisted shares at arms length and under normal market conditions from a company which it exercises control over. An interest free loan was also provided to this company during the prior year.

Expenditure with and payables to related parties

	Other related parties £
2020	
Purchase of unlisted shares	122,584

Loans to related parties

	Subsidiary £
2021	
At start of period	276,354
Repaid	(276,354)
At end of period	-

	Subsidiary £	Other related parties £
2020		
Advanced	276,354	399,597
Repaid	-	(399,597)
At end of period	276,354	-

Loans from related parties

	Subsidiary £
2021	
At start of period	1
Advanced	424,749
At end of period	424,750

	Subsidiary £
2020	
At start of period	1,088,475
Advanced	1
Repaid	(1,088,475)
At end of period	1

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.