

Livingbridge FS LLP

Registration number OC411398

Members' Report and Financial statements

For the year ended 31 December 2019

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Livingbridge FS LLP

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Livingbridge FS LLP

Members and professional advisers

Designated Members	S Egan O O Kolade
LLP registered number	OC411398
Registered office	100 Wood Street London EC2V 7AN
Independent auditor	KPMG LLP Statutory Auditor 15 Canada Square London E14 5GL
Banker	Lloyds Bank Plc 39 Threadneedle Street London EC2R 8AU
Lawyer	Kirkland & Ellis International 30 St Mary Axe London EC3A 8AF

Livingbridge FS LLP

Members' report For the year ended 31 December 2019

The Members present their annual report together with the audited financial statements of Livingbridge FS LLP (the "LLP") and its subsidiaries (together the "Group") for the year ended 31 December 2019.

Principal activities

The LLP's principal activity is to hold investments in, and manage, its subsidiary entities.

The principal activity of the Group is to carry out investment management and advisory services and its subsidiaries Livingbridge EP LLP and Livingbridge Enterprise LLP are authorised and regulated by the UK Financial Conduct Authority (the "FCA").

The Group is the Operator and Manager of the following private equity limited partnerships and invests on behalf of its institutional clients:

Managed by Livingbridge EP LLP ("EP LLP"):

- Livingbridge 4 LP
- Livingbridge 5 LP
- Livingbridge 6 LP
- Livingbridge 6 Global LP
- Livingbridge 4 Co-Invest LP
- Livingbridge 5 Co-Invest LP
- Livingbridge 6 Co-Invest LP
- Livingbridge 6 FF Co-Invest LP
- Livingbridge Enterprise 1 Co-Invest LP
- Livingbridge Enterprise 2 Co-Invest LP

Managed by Livingbridge Enterprise LLP ("ENT LLP"):

- Livingbridge Enterprise 1 LP
- Livingbridge Enterprise 2 LP
- Livingbridge Enterprise 3 LP
- Wood Chapel LP

Going concern

The Members have reviewed operating and cash flow forecasts of the LLP and have reasonable expectation that the LLP will have adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of this report. Accordingly, the Members continue to adopt the going concern basis in preparing the financial statements.

Members' capital

At 31 December 2019, the LLP's Members' capital consists of £1,000 (2018: £1,000) of 'A' Capital.

'A' Capital is fixed at £1,000. Under the terms of the Limited Liability Partnership Deed ('LLP Deed'), Members subscribe to one of three different levels of 'A' Capital (at 31 December 2018: £60, £100 or £251) on becoming a Member of the LLP. 'A' Capital is repayable to a Member upon leaving the LLP and is sold at face value to an individual(s) nominated by the Managing Partner. Therefore it is treated as Member's capital classified as debt.

Principal risks and uncertainties

The first quarter of 2020 has seen a sharp increase in the volatility of all financial markets due to the COVID-19 pandemic. The Members are actively monitoring the situation and the ongoing risks to the Group. The Group will continue to successfully manage the Funds' assets within investment and risk parameters that have been established. The Members will continue to review the situation in order to navigate both the Group and the Funds through this period of heightened uncertainty.

Livingbridge FS LLP

Members' report (continued) For the year ended 31 December 2019

Principal risks and uncertainties (continued)

The Group has assessed all risks and performed rigorous stress testing to fully test the potential impact on the business. Management considered the worst possible scenario as a result of the COVID-19 pandemic, which was zero revenue on funds in the process of fundraising and continued revenue on existing funds. The outcome was that the Group would have sufficient capital and reserves beyond 12 months (from the account signing date) to meet its ongoing obligations of the Group. The Group is debt free and has no plans to take on debt.

Principal subsidiaries

The LLP's subsidiaries (all of which are wholly owned) at 31 December 2019 which, together with the LLP, constitutes the Group were:

Name	Role	Registered office
Livingbridge EP LLP	Provides investment management and advisory services.	100 Wood Street, London EC2V 7AN, England
FIS Nominee Limited (Dormant)	Nominee for clients of EP LLP and ENT LLP.	100 Wood Street, London EC2V 7AN, England
Livingbridge GP Holding Company Limited	Holding company of the following wholly owned subsidiaries.	100 Wood Street, London EC2V 7AN, England
Livingbridge Services Limited	Provides facilities and services to EP LLP, ENT LLP and Livingbridge VC LLP, a related entity.	100 Wood Street, London EC2V 7AN, England
Livingbridge Carry GP Limited	General Partner of: <i>ISIS III Carry LP</i> <i>Livingbridge 4 FP LP</i>	50 Lothian Road Festival Square, Edinburgh EH9 9WJ, Scotland
Livingbridge Australia Pty Limited	Investment advisor to EP LLP on investment opportunities in Australia and New Zealand.	TMF Corporate Services (Aust) Pty Limited, Level 16 201 Elizabeth Street Sydney, NSW2000, Australia
Livingbridge GP Company Limited	General Partner of: <i>Livingbridge GP LP</i> <i>Livingbridge 6 Global LP</i> <i>Livingbridge 6 Parallel Co-Invest LP</i>	50 Lothian Road Festival Square, Edinburgh EH9 9WJ, Scotland
Livingbridge 4 Co-Invest GP Limited	General Partner of: <i>Livingbridge 4 Co-Invest LP</i>	50 Lothian Road Festival Square, Edinburgh EH9 9WJ, Scotland
Livingbridge GP LP	General Partner of: <i>Livingbridge 4 LP</i> <i>Livingbridge 5 LP</i>	50 Lothian Road Festival Square, Edinburgh EH9 9WJ, Scotland
Livingbridge U.S. LLC	Investment advisor to EP LLP, ENT LLP and Livingbridge VC LLP on potential investment opportunities in the United States of America for portfolio companies held by the private equity limited partnerships managed by EP LLP and ENT LLP and for portfolio companies held by the Baronsmead VCTs managed by Livingbridge VC LLP.	251 Little Falls Drive, Wilmington, Delaware 19808, USA

Livingbridge FS LLP

Members' report (continued) For the year ended 31 December 2019

Principal subsidiaries (continued)

Name	Principal activity	Registered office
Livingbridge General Partner LLP	General Partner of: <i>Livingbridge 5 FP LP</i> <i>Livingbridge 5 Co-Invest LP</i> <i>Livingbridge Enterprise 1 FP LP</i> <i>Livingbridge Enterprise 1 Co-Invest LP</i> <i>Livingbridge Enterprise 2 FP LP</i> <i>Livingbridge Enterprise 2 Co-Invest LP</i> <i>Livingbridge 6 LP</i> <i>Livingbridge 6 Co-Invest LP</i> <i>Livingbridge 6 FF Co-Invest LP</i> <i>Livingbridge 6 FP LP</i>	50 Lothian Road Festival Square, Edinburgh EH9 9WJ, Scotland
Livingbridge Enterprise LLP	Provides investment management and advisory services.	100 Wood Street, London EC2V 7AN, England
Livingbridge Enterprise GP Limited	General partner of: <i>Livingbridge Enterprise 1 LP</i>	100 Wood Street, London EC2V 7AN, England
Livingbridge Enterprise GP LLP	General partner of: <i>Livingbridge Enterprise 2 LP</i>	100 Wood Street, London EC2V 7AN, England
Wood Chapel General Partner Limited	General partner of: <i>Wood Chapel LP</i>	100 Wood Street, London EC2V 7AN, England
Livingbridge Enterprise 3 GP LLP	General partner of: <i>Livingbridge Enterprise 3 LP</i>	100 Wood Street, London EC2V 7AN, England

All the above subsidiaries have an accounting year end of 31 December 2019.

Members' drawings and allocations of profits and losses

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

The profits are distributed among the Members, as determined by the Members and subject to the cash requirements of the LLP.

Principal risks and uncertainties

COVID-19

The first quarter of 2020 has seen a sharp increase in the volatility of all financial markets due to the COVID-19 pandemic. The Members are actively monitoring the situation and the ongoing risks to the Partnership. The Partnership will continue to successfully manage the Funds' assets within investment and risk parameters that have been established. The Members will continue to review the situation in order to navigate both the Partnership and the Funds through this period of heightened uncertainty.

The Partnership has assessed all risks and performed rigorous stress testing to fully test the potential impact on the business. Management considered the worst possible scenario as a result of the COVID-19 pandemic, which was zero revenue on funds in the process of fundraising and continued revenue on existing funds. The outcome was that the Partnership would have sufficient capital and reserves beyond 12 months (from the account signing date) to meet its ongoing obligations of the Partnership. The Partnership is debt free and has no plans to take on debt.

Livingbridge FS LLP

Members' report (continued)
For the year ended 31 December 2019

Current year performance

The Group turnover and profit for the year before Members' remuneration available for division among members was £26,110,718 (2018: £26,124,066) and £7,199,434 (2018: £5,200,642) respectively.

The net assets attributable to Members at year end amounted to £9,733,805 (2018: £6,313,807).

Designated Members

S Egan and O O Kolade were Designated Members of the LLP throughout the year and up to the date of this report.

A full list of Members is available on request.

Disclosure of information to auditor

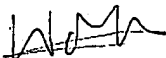
Each of the persons who are Members at the time when this Members' report is approved has confirmed that:

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

Auditor

KPMG LLP were appointed as independent auditor to the LLP and the Group during the year. KPMG LLP have indicated their willingness to continue in office as auditor to the LLP and the Group and will be proposed for re-appointment.

This report was approved by the Members on 5 June 2020 and signed on their behalf by:



O O Kolade
Managing Partner

100 Wood Street
London
EC2V 7AN



S Egan
Chief Operating Officer

**Statement of Members' responsibilities in respect of the Members' report and the financial statements
For the year ended 31 December 2019**

The Members are responsible for preparing the Members' Report, and LLP 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 Group and LLP financial statements for each financial year. Under that law the Members have elected to prepare both the Group and LLP 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 Group and the LLP and of the profit or loss of the Group for that period. In preparing each of the Group and LLP 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 Group and 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 Group or 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 Group and the LLP and to prevent and detect fraud and other irregularities.

Independent auditor's report to the Members of Livingbridge FS LLP

Opinion

We have audited the Group and LLP financial statements of Livingbridge FS LLP ("the LLP") for the year ended 31 December 2019 which comprise the Consolidated Statement of Total Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Reconciliation of Members Interests, Consolidated Statement of Cash Flows, LLP Statement of Financial Position, LLP Reconciliation of Members Interests and 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 Group and of the LLP as at 31 December 2019 and of the profit of the group 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 group 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 group or the LLP or to cease their operations, and as they have concluded that the group and 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 their 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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the members' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and LLP's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the LLP will continue in operation.

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.

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;

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 6, 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 group and 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 group or 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.

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.



Jonathan Martin (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

E14 5GL

5 June 2020

Livingbridge FS LLP
Registered number: OC411398

Consolidated statement of total comprehensive income
For the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover	4	26,110,718	26,124,066
Administrative expenses		(19,164,009)	(19,816,345)
Operating profit	5	9,946,709	6,307,721
Net unrealised capital gain on investments		3,583	2,909
Realised capital gain on investments	7	3,936	1,622
Realised loss on disposal of tangible fixed assets		49,638	-
Interest receivable and similar income	8	28,040	17,450
Profit before taxation		7,031,906	6,329,702
Taxation	9	(31,961)	(1,129,060)
Profit for the financial year before members' remuneration		6,999,945	5,200,642
Members' remuneration charged as an expense		-	-
Profit for the financial year available for discretionary division among members		6,999,945	5,200,642
Other comprehensive income			
Unrealised gain/(loss) on translation of foreign subsidiaries		412	(13,496)
Total comprehensive income for the year		7,000,357	5,187,146
Profit for the year is attributable to:			
Owners of the LLP		(25,000)	(25,000)
Non-controlling interests		7,024,945	5,225,642
		7,199,434	5,200,642
Total comprehensive income for the year is attributable to:			
Owners of the LLP		(24,588)	(38,496)
Non-controlling interests		7,024,945	5,225,642
Total comprehensive income for the year		7,000,357	5,187,146

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of total comprehensive income.

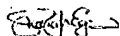
The notes on pages 17 to 28 form part of these financial statements

Livingbridge FS LLP
Registered number: OC411398

Consolidated statement of financial position
As at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	1,484,441	478,016
Investments	12	<u>39,494</u>	<u>31,282</u>
		<u>1,523,935</u>	<u>509,298</u>
Current assets			
Debtors: amounts falling due after more than one year	13	38,625	36,335
Debtors: amounts falling due within one year	13	9,022,894	8,113,241
Cash and cash equivalents		<u>11,300,269</u>	<u>8,799,595</u>
		20,361,788	16,949,171
Creditors: amounts falling due within one year	14	<u>(12,335,182)</u>	<u>(11,144,662)</u>
Net current assets		<u>8,026,606</u>	<u>5,804,509</u>
Total assets less current liabilities		<u>9,550,541</u>	<u>6,313,807</u>
Net assets attributable to Members		<u>9,550,541</u>	<u>6,313,807</u>
Represented by:			
Loans and other debts due to Members within one year			
Members' capital classified as debt		1,000	1,000
Other amounts		<u>(1,000)</u>	<u>(1,000)</u>
		-	-
Members' other interests			
Other reserves classified as equity		<u>(35,486)</u>	<u>(10,898)</u>
		<u>(35,486)</u>	<u>(10,898)</u>
Attributable to Members of the LLP		<u>(35,486)</u>	<u>(10,898)</u>
Non-controlling interests		<u>9,586,027</u>	<u>6,323,705</u>
		<u>9,550,541</u>	<u>6,312,807</u>
Total members' interests			
Loans and other debts due to Members within one year		1,000	1,000
Members other interests		(35,486)	(10,898)
Amounts due from members		<u>(1,000)</u>	<u>(1,000)</u>
		<u>(35,486)</u>	<u>(10,898)</u>

The financial statements were approved and authorised for issue by the Members on 5 June 2020 and were signed on their behalf by:



S Egan
Designated Member

The notes on pages 17 to 28 form part of these financial statements

Livingbridge FS LLP
Registered number: OC411398


LLP statement of financial position
As at 31 December 2019

	Note	2019 £	2018 £
Non-current assets			
Investments	12	10	10
Current assets			
Debtors: amounts falling due within one year	13	90,990	60,990
Creditors: amounts falling due within one year	14	<u>(75,000)</u>	<u>(50,000)</u>
Net current assets		15,990	10,990
Total assets less current liabilities		16,000	11,000
Net assets attributable to Members'		<u>16,000</u>	<u>11,000</u>
Represented by:			
Loans and other debts due to Members within one year			
Members' capital classified as debt		1,000	1,000
Members' other interests			
Members' capital classified as equity		-	-
Other reserves classified as equity		<u>15,000</u>	<u>10,000</u>
		<u>16,000</u>	<u>11,000</u>
Total members' interests			
Members other interests		15,000	10,000
Amounts due to members		1,000	1,000
Amounts due from members		<u>(1,000)</u>	<u>(1,000)</u>
		<u>15,000</u>	<u>10,000</u>

LLP profit

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The loss after tax of the LLP for the year was £25,000 (2018: Loss £25,000).

The financial statements were approved and authorised for issue by the Members on 5 June 2020 and were signed on their behalf by:



S Egan
Designated Member

The notes on pages 17 to 28 form part of these financial statements

Livingbridge FS LLP

Consolidated Reconciliation of Members' interests
For the year ended 31 December 2018

At 1 January 2018

Profit for the year

Translation of net investment in foreign subsidiary

Members' interests after profit for the year*Transactions with Members*

Capital Introduced

Drawings paid to non-controlling interest

At 31 December 2018

Equity Members' other interests			Debt Loans and other debts due to Members			Non- controlling interests	Total £
Members' capital classified as equity £	Other reserves classified as equity £	Total £	Members' capital classified as debt £	Other amounts £	Total £	Capital classified as equity £	
-	27,598	27,598	1,000	(1,000)	-	7,029,358	7,056,956
-	(25,000)	(25,000)	-	-	-	5,225,642	5,200,642
-	(13,496)	(13,496)	-	-	-	-	(13,496)
-	(10,898)	(10,898)	1,000	(1,000)	-	12,255,000	12,244,102
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(5,931,295)	(5,931,295)
-	(10,898)	(10,898)	1,000	(1,000)	-	6,323,705	6,312,807

The notes on pages 17 to 28 form part of these financial statements.

Livingbridge FS LLP

Consolidated Reconciliation of Members' interests (continued)
For the year ended 31 December 2019

	Equity Members' other interests			Debt Loans and other debts due to Members			Non- controlling interests	Total £
	Members' capital classified as equity	Other reserves classified as equity	Total	Members' capital classified as debt	Other amounts	Total	Capital classified as equity	
	£	£	£	£	£	£	£	
At 1 January 2019	-	(10,898)	(10,898)	1,000	(1,000)	-	6,323,705	6,312,807
Profit for the year	-	(25,000)	(25,000)	-	-	-	7,024,945	6,999,945
Translation of net investment in foreign subsidiaries	-	412	412	-	-	-	-	412
Members' interests after profit for the year	-	(35,486)	(35,486)	1,000	(1,000)	-	13,348,650	13,313,164
<i>Transactions with Members</i>								
Drawings	-	-	-	-	-	-	(3,762,623)	(3,762,623)
At 31 December 2019	-	(35,486)	(35,486)	1,000	(1,000)	-	9,586,027	9,550,541

The notes on pages 17 to 28 form part of these financial statements.

Livingbridge FS LLP

LLP reconciliation of Members' interests
For the period ended 31 December 2018

	Equity Members' other interests			Debt Loans and other debts due to Members			Total £
	Members' capital classified as equity £	Other reserves classified as equity £	Total £	Members' capital classified as debt £	Other amounts £	Total £	
At 1 January 2018	-	35,000	35,000	1,000	(1,000)	-	35,000
Profit for the period	-	(25,000)	(25,000)	-	-	-	(25,000)
Members' interests after profit for the period	-	10,000	10,000	1,000	(1,000)	-	10,000
At 31 December 2018	-	10,000	10,000	1,000	(1,000)	-	10,000

The notes on pages 17 to 28 form part of these financial statements.

Livingbridge FS LLP

LLP reconciliation of Members' interests (continued)
For the year ended 31 December 2019

	Equity Members' other interests			Debt Loans and other debts due to Members			Total £
	Members' capital classified as equity £	Other reserves classified as equity £	Total £	Members' capital classified as debt £	Other amounts £	Total £	
At 1 January 2019	-	10,000	10,000	1,000	(1,000)	-	10,000
Profit for the year	-	(25,000)	(25,000)	-	-	-	(25,000)
Members' interests after profit for the year	-	(15,000)	(15,000)	1,000	(1,000)	-	(15,000)
<i>Transactions with members</i>							
Profit allocation	-	30,000	30,000	-	-	-	30,000
At 31 December 2019	-	15,000	15,000	1,000	(1,000)	-	15,000

The notes on pages 17 to 28 form part of these financial statements.

Livingbridge FS LLP

Consolidated statement of cash flows
For the year ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Profit for the year		6,999,945	5,200,642
Adjustments for:			
Depreciation		302,617	177,170
Amortisation		-	-
Interest receivable and similar income		(28,040)	(17,450)
Carried interest receivable from Limited Partnerships		-	-
Net change in unrealised gain on financial assets at fair value through profit and loss		(3,583)	(2,909)
Realised capital gain on investments through profit and loss		(3,936)	(1,622)
Gain on disposal of tangible assets		49,638	-
Corporation tax charge		31,961	1,129,060
Increase in debtors		(1,026,069)	(441,735)
Increase in creditors		1,287,324	2,126,451
Corporation tax refunded/(paid)		(15,639)	(120,699)
Unrealised (loss)/gain on re-translation of foreign branches		24,625	(13,496)
Net cash generated from operating activities		<u>7,618,843</u>	<u>8,035,412</u>
Cash flows from investing activities			
Investment income received		28,040	12,062
Carried interest received from Limited Partnerships		-	-
Purchase of tangible assets	11	(1,382,946)	(305,504)
Purchase of investments	12	(9,399)	(3,098)
Proceeds from disposal of investments		8,759	2,681
Net cash used in investing activities		<u>(1,355,546)</u>	<u>(293,859)</u>
Cash flows from financing activities			
Capital introduced by non-controlling interests		-	-
Distributions paid to non-controlling interests		(3,762,623)	(5,931,295)
Net cash used in financing activities		<u>(3,762,623)</u>	<u>(5,931,295)</u>
Net increase in cash and cash equivalents		<u>2,500,674</u>	<u>1,810,258</u>
Cash and cash equivalents brought forward		<u>8,799,595</u>	<u>6,989,337</u>
Cash and cash equivalents carried forward		<u>11,300,269</u>	<u>8,799,595</u>

The notes on pages 17 to 28 form part of these financial statements.

Livingbridge FS LLP

Notes to the financial statements
For the year ended 31 December 2019

1. General information

Livingbridge FS 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. The registered offices of the LLP's subsidiaries are detailed in the Members' report.

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 August 2014 and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in January 2017.

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 reasonable expectation that the LLP will have adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of this report. Accordingly, the Members continue to adopt the going concern basis in preparing the financial statements.

Following the global pandemic of COVID-19, the Management of the Group has assessed going concern for the next 12 months. Having considered the financial risks to the Group, it is the view of Management that there are no material uncertainties that may cast significant doubt over the ability of the Group to continue as a going concern over the next 12 months, and as such, the accounts have been prepared on that basis.

The Group has assessed all risks and performed rigorous stress testing to fully test the potential impact on the business. Management considered the worst possible scenario as a result of the COVID-19 pandemic, which was zero revenue on funds in the process of fundraising and continued revenue on existing funds. The outcome was that the Group would have sufficient capital and reserves beyond 12 months (from the account signing date) to meet its ongoing obligations of the Group. The Group is debt free and has no plans to take on debt.

2.3 Basis of consolidation

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

The consolidated financial statements incorporate the results of business combinations resulting from legal re-organisations using the merger method as allowed by FRS 102. Under the merger method the acquirer's identifiable assets, liabilities and contingent liabilities are initially recognised in the Statement of financial position at their historical cost and the acquisition date is considered to be the start date of the last presented statement of financial position. The results of acquired operations are included in the Statement of total comprehensive income in full for all periods presented. Subsidiaries are deconsolidated from the date control ceases.

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

2.3 Basis of consolidation (continued)

The LLP consolidates its attributable portion of the assets and income of the private equity limited partnerships which its subsidiaries manage as General Partners and in which they have a minority interest. These limited partnerships are subsidiary undertakings and under the terms of the Companies Act 2006 should be consolidated in full. However, the Members consider that the financial statements would not give a true and fair view if the assets and income as a whole were to be consolidated, since the Group's interest in these assets is merely that of investment managers. The effect of this departure is to decrease the profit before tax for the year by £399.8 million (2018: £174.4 million) and to reduce fixed asset investments by £1,291.5 million (2018: £917.9 million), increase other net assets by £71k (2018: increased by £6.5 million) and reduce the total net assets in the statement of financial position by £1,291.4 million (2018: £911.4 million).

2.4 Foreign currency translation**Functional and presentation currency**

The LLP's functional and presentational currency is Pound Sterling ("£" or "GBP"). All amounts in the financial statements have been rounded to the nearest £. The functional currencies of the subsidiaries are GBP, US Dollars ("USD" or "\$") or Australian Dollars ("AUD").

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated statement of comprehensive income.

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

2.5 Turnover

Turnover comprises amounts derived from the provision of investment management services in relation to private equity limited partnerships.

Included in turnover is management, transaction and facilities and services fee income which is recognised on an accruals basis.

2.6 Expenses

Expenses are accounted for on an accruals basis.

2.7 Pensions

The Group, through EP LLP, operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which EP LLP pays fixed contributions into a separate entity. The assets of the plan are held separately from the Group in independently administered funds. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Statement of total comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position.

Livingbridge FS LLP

Notes to the financial statements (continued) For the year ended 31 December 2019

2.8 Leases

Neither the LLP nor the Group have entered into any finance leases.

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

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

2.9 Interest income

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

2.10 Current and deferred taxation

No provision has been made for UK taxation on the LLP's profits 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.*

The current corporation tax charge on the taxable profits of the LLP's subsidiaries is calculated based on the tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where those subsidiaries operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that, the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax balances are not discounted.

2.11 Allocation of total comprehensive income

The total comprehensive income of the LLP is allocated among the Members in accordance with the LLP Deed.

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 deduction from Members' interests with any unallocated profits carried forward as other reserves classified as equity.*

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Tangible fixed assets with a cost less than £2,000 are expensed in full in the period of acquisition.

For tangible fixed assets with a cost in excess of £2,000, depreciation is provided so as to allocate the cost less the estimated residual value over their estimated useful lives, using the straight-line method.

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

2.12 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Leasehold improvements	- shorter of 5 years or remaining term of the lease
Furniture, fittings and equipment	- 4 years
IT hardware	- 3 years

2.13 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 Consolidated 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 Group 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.

2.14 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 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.

2.16 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.

2.17 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.

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

2.18 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

2.19 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 is repayable to the Member on retirement.

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

	Group 2019 £	Group 2018 £
Turnover for the year comprises:		
Management fees from Limited Partnerships	21,960,957	18,229,407
Transaction fees	4,102,426	4,657,894
Facilities and services fees	47,335	3,236,765
	<u>26,110,718</u>	<u>26,124,066</u>

All turnover arose within the United Kingdom.

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

5. Operating profit

	Group 2019 £	Group 2018 £
The following items have been charged to operating profit:		
Depreciation	302,807	177,136
Amortisation of intangible assets		
Fees payable to the Group's auditor for:		
- audit of the Group and Partnership's financial statements	25,000	25,000
- audit of the Group's subsidiaries	159,250	109,000
- taxation compliance services	20,000	20,000
Operating lease expenses - Land and buildings	1,202,354	599,765
Operating lease expenses - other assets	<u>91,660</u>	<u>91,377</u>

6. Employees

	Group 2019 £	Group 2018 £
Wages and salaries	8,995,879	8,959,795
Social security costs	799,370	772,068
Pension contributions	<u>547,096</u>	<u>535,021</u>
	<u>10,342,345</u>	<u>10,266,884</u>
 Average number of staff employed by the Group during the year	 <u>77</u>	 <u>94</u>

7. Realised capital gain on investments

	Group 2019 £	Group 2018 £
Distributions of realised gains from underlying Limited Partnerships	<u>3,936</u>	<u>1,622</u>

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

8. Interest receivable and similar income

	Group 2019 £	Group 2018 £
Bank interest receivable	16,132	11,978
Member's loan facility	11,532	5,388
Other interest receivable	376	84
	<u>28,040</u>	<u>17,450</u>

9. Taxation

	Group 2019 £	Group 2018 £
Current tax:		
UK corporation tax		
Tax charge on profits for the year	124,005	198,836
Adjustments in respect of prior periods	(202,504)	(192,912)
Foreign tax		
Tax charge on profits for the year	112,750	85,971
Total current tax	34,251	91,895
Deferred tax:		
Origination and reversal of timing differences	(578,708)	(1,476,342)
Movement in respect of tax losses	3,744,436	3,059,213
Adjustment in respect of prior periods	(3,165,728)	(545,706)
Effect of changes in tax rates	-	-
Total deferred tax	(2,290)	1,037,165
Total tax on profit from ordinary activities	<u>31,961</u>	<u>1,129,060</u>

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

9. Taxation (continued)**Factors affecting the tax charge for the current year**

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	Group 2019 £	Group 2018 £
Profit for the period before taxation	<u>7,031,906</u>	<u>6,329,702</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.0% (2018: 19.0%)	1,336,062	1,202,643
Add:		
Adjustments in respect of prior periods	(3,368,424)	(759,511)
Partnership (income not taxable) / losses not deductible	(1,252,282)	(1,048,620)
Subsidiary losses not deductible / (income not taxable)	3,249,466	1,601,223
Non-deductible expenses		110,956
Effect of tax rates in foreign jurisdictions	29,236	22,369
Effect of rate change	<u>-</u>	<u>-</u>
Total tax on profit from ordinary activities	<u>31,961</u>	<u>1,129,060</u>

Factors that may affect future tax charges

The main rate of corporation tax for the year ended 31 December 2019 was 19%.

At Budget 2020, the government announced that the Corporation Tax main rate for the years starting 1 April 2020 and 2021 would remain at 19%.

The effective rate for 2019 of 17.5% has been used in the calculation of the deferred tax asset as at 31 December 2019.

10. Information in relation to members

	Group 2019 £	Group 2018 £
Profit for the financial year available for discretionary distribution among members	<u>(25,000)</u>	<u>(25,000)</u>
Profit share attributable to the highest paid Member	<u>-</u>	<u>-</u>
	Number	Number
Average number of members for the year	<u>7</u>	<u>7</u>

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019
11. Tangible fixed assets

Group	Leasehold property £	IT Hardware £	Furniture, fittings and equipment £	Total £
Cost:				
At 1 January 2019	1,161,630	142,628	156,568	1,460,826
Additions	1,376,975	5,971	-	1,382,946
Disposals	(775,743)	(140,476)	(150,826)	(1,067,045)
At 31 December 2019	1,762,862	8,123	5,742	1,776,727
Depreciation:				
At 1 January 2019	712,320	141,867	128,623	982,810
Charge for the year	281,079	4,594	16,944	302,617
Disposals	(709,886)	(140,075)	(143,180)	(993,141)
At 31 December 2019	283,513	6,386	2,387	292,286
Net book value:				
At 31 December 2019	1,479,349	1,737	3,355	1,484,441
At 31 December 2018	449,310	761	27,945	478,016

12. Fixed asset investments

Group	Unlisted investments £
Cost	
At 1 January 2019	25,410
Additions	9,399
Disposals	(4,823)
	29,986
Total unrealised movements in fair value	9,508
At 31 December 2019	39,494
Unrealised fair value gains	
At 1 January 2019	5,872
Movements for the year	3,636
Disposals	-
At 31 December 2019	9,508
LLP	Investments in subsidiaries £
Cost	
At 1 January 2019	10
At 31 December 2019	10

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

13. Debtors

	Group 2019 £	Group 2018 £	LLP 2019 £	LLP 2018 £
Due after more than one year				
Deferred tax asset	<u>38,625</u>	<u>36,335</u>	-	-
	<u>38,625</u>	<u>36,335</u>	<u>-</u>	<u>-</u>
Due within one year				
Trade debtors	302,331	1,846,942	-	-
Amounts due from Group undertakings	-	-	89,990	59,990
Amounts due from Limited Partnerships	3,807,639	1,039,242	-	-
Amounts due from associated undertakings	-	12,416	-	-
Amounts due from Members	1,000	1,000	1,000	1,000
Other debtors	2,534,078	1,570,917	-	-
Corporation tax recoverable	-	116,416	-	-
Prepayments and accrued income	430,030	3,279,102	-	-
Placement agent fee prepayment	<u>1,947,816</u>	<u>247,206</u>	-	-
	<u>9,022,894</u>	<u>8,113,241</u>	<u>90,990</u>	<u>60,990</u>

14. Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	LLP 2019 £	LLP 2018 £
Trade creditors	679,920	456,906	-	-
Other taxes and social security	65,543	189,972	-	-
Corporation tax payable	134,837	232,641	-	-
Accruals and deferred income	7,588,325	4,388,331	75,000	50,000
Amounts due to associated undertakings	3,531,319	2,368,168	-	-
Other creditors	298	1,155,717	-	-
Amounts due to Limited Partnerships	333,940	2,352,927	-	-
	<u>12,334,182</u>	<u>11,144,662</u>	<u>75,000</u>	<u>50,000</u>

Livingbridge FS LLP

Notes to the financial statements (continued)
For the year ended 31 December 2019

15. Deferred tax asset

	Group £
At 1 January 2019	36,335
Charged to statement of comprehensive income	<u>2,290</u>
At 31 December 2019	<u>38,625</u>

The deferred tax asset/(liability) is made up of:

	Group 2019 £	Group 2018 £
Movement in tax losses	-	-
Other temporary differences	<u>38,625</u>	<u>36,335</u>
	<u>38,625</u>	<u>36,335</u>

The effective rate for 2019 of 19% has been used in the calculation of the deferred tax asset of £38,625 as at 31 December 2019.

The deferred tax asset is included in debtors (refer to note 13 above).

16. Pension commitments

There were no pension contributions outstanding at 31 December 2019 (2018: none).

17. Commitments under operating leases

At 31 December 2019 the Group had future minimum lease payments under non-cancellable operating leases as follows:

Group	Land and buildings 2019 £	Other 2019 £	Land and buildings 2018 £	Other 2018 £
Within one year	732,480	148,236	318,150	48,580
In the second to fifth year inclusive	2,929,920	210,260	159,075	93,112
Over five years	<u>-</u>	<u>-</u>	<u>68,664</u>	<u>-</u>
	<u>3,662,400</u>	<u>358,496</u>	<u>545,889</u>	<u>141,692</u>

Livingbridge FS LLP

18. Related party transactions

During the year, the Group charged facilities and services fees of £47,335 (2018: £3,236,765) to Livingbridge VC LLP, a related entity of the Group. At 31 December 2019 an amount of £3,531,319 (2018: £2,355,752) was due to Livingbridge VC LLP.

The key management personnel are considered to be the members of EP LLP and ENT LLP as they are responsible for directing the activities of the Group. Total Group profits allocated to key management personnel in the year amounted to £7,024,945 (2018: £5,225,642).

In a prior period, the Group entered into two facility agreements of £100,000 each with certain members of the Group's subsidiaries. At 31 December 2019 a total of £258,302 (2018: £206,883) had been drawn and was outstanding. Interest totalling £0 (2018: £10,844) had accrued at year end.

At 31 December 2019, an aggregate amount of £3,240,028 (2018: due by Group: £1,363,292) was due to the Group from the Limited Partnerships managed by EP LLP and ENT LLP.

19. Post balance sheet events

No events have occurred subsequent to the year end that require disclosure in these financial statements.

20. Controlling party

There is no ultimate controlling party as control is shared by the Members.

21. Subsequent Events

The first quarter of 2020 has seen a sharp increase in the volatility of all financial markets due to the COVID-19 pandemic. The Members are actively monitoring the situation and the ongoing risks to the Group. The Group will continue to successfully manage the Funds' assets within investment and risk parameters that have been established. The Members will continue to review the situation in order to navigate both the Group and the Funds through this period of heightened uncertainty.

The Group has assessed all risks and performed rigorous stress testing to fully test the potential impact on the business. Management considered the worst possible scenario as a result of the COVID-19 pandemic, which was zero revenue on funds in the process of fundraising and continued revenue on existing funds. The outcome was that the Group would have sufficient capital and reserves beyond 12 months (from the account signing date) to meet its ongoing obligations of the Group. The Group is debt free and has no plans to take on debt.