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**AP VENTURES LLP**

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**MEMBERS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



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**AP VENTURES LLP**

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**INFORMATION**

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**Designated Members**

K Eggers  
A Hinkly

**LLP registered number**

OC414076

**Registered office**

16 Littleworth Lane, Esher, Surrey, KT10 9PF

**Independent auditor**

Nexia Smith & Williamson, 45 Gresham Street, London, EC2V 7BG

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**AP VENTURES LLP**

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## AP VENTURES LLP

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### MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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The members present their annual report together with the audited financial statements of AP Ventures LLP (the "LLP" or "the firm" or the "Parent Limited Liability Partnership") and its subsidiaries ("the Group" or "AP Ventures") for the year ended 31 March 2022.

#### **Principal activities and business review**

The principal activity is to provide Investment Advisory Services. Since 16 July 2018, the LLP has managed two funds, AP Ventures Fund I LP and AP Ventures Fund II LP ("Fund II").

AP Ventures has had another exciting year with the closing of Fund II on the 21 June 2021. The team has grown to a diverse group of 21 members of staff and contractors including individuals based in South Africa and overall the LLP has adapted well in response to the COVID-19 pandemic and operations have continued to run smoothly.

#### **Quantitative Remuneration Disclosure**

A Quantitative Remuneration Disclosure has been included in this report.

#### **Risk management**

Due to the nature, size and complexity of the Firm, AP Ventures does not have an independent risk management function. The AP Ventures Board is responsible for the management of risk within the Firm and individual responsibilities are clearly defined. AP Ventures has clearly documented policies and procedures (these are contained in the Firm's Compliance Policies and Procedures Manual), which are designed to minimise risks to the Firm and all staff are required to confirm that they have read and understood them.

AP Ventures undertakes an Internal Capital Adequacy and Risk Assessment ("ICARA") at least annually. It is the process through which the Firm identifies and manages its key risks on an on-going basis. The process is forward looking and is an integral part of the management of the Firm. The ICARA identifies the major sources of risk to the regulated entity, how the Firm intends to deal with those risks and details of the stress tests and scenario analysis carried out and the resulting financial resources estimated to be required. AP Ventures also carries out regular assessments of the types and distribution of financial resources, capital resources and internal capital, which are documented in ICARA.

#### *Business risk*

A considerable part of the Firm's risk is the risk of a downturn in business. The main concerns of the Firm relate to the ability of Investors to pay management fees and being unable to recruit quality staff.

Ability of investors to pay management fees:

The investors of the funds are large organisations, which should make them less likely to default on fees. AP Ventures also meets regularly with the investors and receives regular updates, so would be in a position to minimise this risk in advance providing the Firm the opportunity to be alerted to changes and thereby minimise resultant risks.

Quality of staff and Poor Investment Decisions/Investment Performance:

AP Ventures has been successful in recruiting quality staff. Staff are remunerated at market rates and this is reviewed at least annually by the Remuneration Committee.

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## AP VENTURES LLP

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### MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### **Risk management (continued)**

##### *Business risk (continued)*

The Investment Team at AP Ventures has considerable experience managing portfolios which pursue substantially similar investment strategies as that pursued by AP Ventures. The Firm will continuously strive to improve standards of investment practice and knowledge in order to guard against the risk. However, consistently poor investment selection provided by AP Ventures would ultimately lead to the loss of fund assets and potentially to the Fund being wound down. This would impact the management fees received by AP Ventures.

##### *Credit risk*

Credit risk refers to the potential risk that customers fail to meet their obligations as they fall due. Credit risk is deemed to be low and further details can be found in Note 20 to the accounts.

##### *Liquidity risk*

The LLP reviews its cash management regularly and manages its liquidity risk by holding funds across various banks. The LLP has developed a mechanism of early warning indicators to notify members of a drop in liquidity.

##### *Operational risk*

Operational risk is defined as the risk of loss due to system breakdowns, internal and operational control failures, staff fraud or misconduct, and catastrophes.

Responsibility for the day to day performance of a significant portion of AP Ventures' functions have been outsourced under service level agreements, such as IT, fund accounting, and legal. AP Ventures conducts no trading activity; therefore, the level of direct operational risk being run by the Firm is minimal.

Given the nature, scale and complexities of the Firm's current business, the risk management structure is relatively simple. The Firm's governing body manages the risks of the Firm through periodic receipt of management information on for example the Firm's financial position, capital adequacy and compliance with the various rules and regulations to which the Firm is subject.

##### *Reputational risk*

Reputational risk is defined as the risk of damage to the Firm's reputation that could lead to negative publicity, costly litigation, a decline in the customer base or the exit of key staff members and therefore directly or indirectly leading to a loss of revenue. AP Ventures has a Succession Plan in place in the event that key personnel are either temporarily or permanently unavailable to work. There is some overlap between reputational risks and business risks, since both can result in the loss of clients and a reduction in income.

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## AP VENTURES LLP

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### MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### **Risk management (continued)**

##### *Reputational risk (continued)*

An example of reputational risk which is distinct from the investment related performance delivered to AP Ventures' clients is market abuse. This can lead to significant loss of client trust in the capabilities of AP Ventures. Also, in a worst-case scenario, it could lead to the loss of key individuals through regulatory enforcement action, or even the loss of Part IV Permission for the Firm itself. A further example of reputational risk is that of damaging publicity about AP Ventures in the media. All staff members and external contractors are required to sign confidentiality agreements, which somewhat mitigates this risk. The Firm considers that any damage to its reputation would have the potential to cause a significant amount of damage to the Firm.

To guard against AP Ventures breaching regulatory rules they have appointed an experienced Compliance Officer and engaged the support of a regulatory consultancy firm. AP Ventures has also implemented a detailed compliance framework, which includes a risk-based compliance monitoring programme.

AP Ventures endeavours to employ high quality staff who are professional in all their dealings and seek to implement a culture of ethical behaviour in all areas of the business. All members of staff receive training on a frequent basis, and the Firm believes it has a strong culture of compliance. For these reasons the Firm believes it has sufficiently mitigated reputational risk and that it does not need to allocate any additional capital to guard against the crystallisation of this risk.

#### **Designated members**

K Eggers and A Hinkly.

#### **Members' capital and interests**

Each member's subscription to the capital of the LLP is determined by the LLP agreement and is repayable following retirement from the LLP.

#### **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**

The auditor, Nexia Smith & Williamson, has indicated its willingness to continue in office. The Designated members will propose a motion re-appointing the auditor at a meeting of the members.

#### **Remuneration policy**

AP Ventures is subject to the FCA rules on remuneration. These are contained in the FCA's Remuneration Codes located in the SYSC Sourcebook of the FCA's Handbook. CPMI firms are required to make a remuneration disclosure in respect of the whole of their business, i.e. MiFID and AIFMD. The specific requirements of the AIFMD remuneration disclosure are set out in the Annual Report of the AIFs.

The Remuneration Code covers an individual's total remuneration, fixed and variable. The Firm incentivises staff through a combination of the two.

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**AP VENTURES LLP**

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**MEMBERS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Remuneration policy (continued)**

AP Ventures' compensation arrangements:

- Are consistent with and promote sound and effective risk management;
- Do not encourage risk-taking which is inconsistent with the risk profiles or instruments of incorporation of the AIFs it manages;
- Include measures to avoid conflicts of interest; and
- Are in line with the Firm's business strategy, objectives, values and long-term interests.
- AP Ventures has a remuneration committee (the "Committee") which includes the two Partners of the firm and an independent chairman. The Committee meets at least annually to discuss remuneration of employees and partners.
- Partners meet with employees at least once a year to discuss objectives and progress.
- Bonuses are discretionary dependant on the firm and employees' performance during the year.

**Quantitative Remuneration Disclosure**

A Quantitative Remuneration Disclosure has been included in this report.

This report was approved by the members and signed on their behalf by:



**K Eggers**  
Designated member

Date: 26 July 2022

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## **AP VENTURES LLP**

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### **MEMBERS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2022**

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The members are responsible for preparing the annual report and the consolidated financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLPs, 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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 the Group and to enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AP VENTURES LLP**

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**Opinion**

We have audited the financial statements of AP Ventures LLP and its subsidiaries for the year ended 31 March 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and LLP Statement of Financial Position, the Consolidated and LLP Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Limited Liability Partnership's affairs as at 31 March 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to Limited Liability Partnerships.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent limited liability partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

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## AP VENTURES LLP

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AP VENTURES LLP (CONTINUED)

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#### Other information

The other information comprises the information included in the Members' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to Limited Liability Partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Limited Liability Partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Limited Liability Partnership financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of members

As explained more fully in the Members' Responsibilities Statement set out on page 5, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Group's or the Parent Limited Liability Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Parent Limited Liability Partnership or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AP VENTURES LLP (CONTINUED)

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of these financial statements.

We obtained a general understanding of the partnership's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the partnership's policies and procedures in relation to compliance with relevant laws and regulations and how management identify breaches of the applicable Financial Conduct Authority (FCA) rules. We also drew on our existing understanding of the partnership's industry and regulation.

We understand that the partnership complies with requirements of the framework through:

- The members managing and overseeing a compliance function
- External compliance reviews and reporting
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change
- The members' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly and are considered at members meetings.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the partnership's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the partnership:

- The Companies Act 2006 and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) in respect of the preparation and presentation of the financial statements; and
- The UK regulatory principles, including those governed by the Financial Conduct Authority (FCA).

To gain evidence about compliance with the significant laws and regulations above we reviewed the limited liability partnership's breaches register, reviewed board meeting minutes, inspected correspondence with the FCA relating to the year and obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the partnership's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries and incorrect recognition of revenue. These areas were communicated to the other members of the engagement team who were not present at the discussion.

The procedures we carried out to gain evidence in the above areas included;

- Testing of a sample of revenue transactions to underlying documentation; and
- Testing of a sample of manual journal entries, selected through applying specific risk assessments based on the partnership's processes and controls surrounding manual journal entries.

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

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**AP VENTURES LLP**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AP VENTURES LLP (CONTINUED)**

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**Use of our report**

This report is made solely to the Parent Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to Limited Liability Partnerships. Our audit work has been undertaken so that we might state to the Parent Limited Liability Partnership'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 Parent Limited Liability Partnership and the Parent Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Nexia Smith & Williamson*

Jonathan Wiseman (Senior Statutory Auditor)

for and on behalf of

**Nexia Smith & Williamson**

Chartered Accountants

Statutory Auditor

45 Gresham Street

London

EC2V 7BG

Date: 27/07/2022

AP VENTURES LLP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Turnover	4	9,501,766	9,785,927
Administrative expenses		(2,336,321)	(2,119,740)
Other operating income	5	28,108	229,440
Fair value movements		46,800	-
<b>Operating profit</b>	6	<b>7,240,353</b>	<b>7,895,627</b>
Interest receivable and similar income	10	162,292	124,559
Interest payable and similar expenses		-	(1,747)
<b>Profit before tax</b>		<b>7,402,645</b>	<b>8,018,439</b>
Tax on profit		(298)	-
<b>Profit before members' remuneration and profit shares available for discretionary division among members</b>		<b>7,402,347</b>	<b>8,018,439</b>
Profit for the year before members' remuneration and profit shares		7,402,347	8,018,439
Non-controlling interest		-	(19)
<b>Profit for the financial year available for discretionary division among members</b>		<b>7,402,347</b>	<b>8,018,420</b>
<b>Other comprehensive income for the year</b>			
Foreign currency translation		24,910	399
<b>Other comprehensive income for the year</b>		<b>24,910</b>	<b>399</b>
<b>Total comprehensive income for the year</b>		<b>7,427,257</b>	<b>8,018,819</b>

The notes on pages 20 to 37 form part of these financial statements.

AP VENTURES LLP  
REGISTERED NUMBER:OC414076

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Tangible assets	11		13,363		15,330
Investments	12		102,931		16,473
			<u>116,294</u>		<u>31,803</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	13	8,445,483		7,229,101	
Cash at bank and in hand	14	542,462		1,952,689	
		<u>8,987,945</u>		<u>9,181,790</u>	
Creditors: Amounts Falling Due Within One Year	15	(420,885)		(501,591)	
<b>Net current assets</b>			8,567,060		8,680,199
<b>Provisions for liabilities</b>					
Deferred taxation	16	(298)		-	
		<u>(298)</u>		<u>-</u>	
<b>Net assets attributable to members</b>			<u>8,683,056</u>		<u>8,712,002</u>
<b>Represented by:</b>					
Members' capital classified as equity	17	460,300		460,300	
Non-controlling interests		64,996		21,199	
Other reserves classified as equity	17	8,157,760		8,230,503	
			<u>8,683,056</u>		<u>8,712,002</u>
<b>Total members' interests</b>					
Amounts due from members (included in debtors)	13	(8,349,255)		(4,267,912)	
Members' other interests	17	8,618,060		8,690,803	
		<u>268,805</u>		<u>4,422,891</u>	

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AP VENTURES LLP  
REGISTERED NUMBER:OC414076

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 MARCH 2022

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The financial statements were approved and authorised for issue by the members and were signed on their behalf by:



**K Eggers**  
Designated member

Date: 26 July 2022

The notes on pages 20 to 37 form part of these financial statements.

**AP VENTURES LLP**  
**REGISTERED NUMBER: OC414076**

**LLP STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2022 £</b>	<b>2021 £</b>	<b>2021 £</b>
<b>Fixed assets</b>					
Tangible assets	11		<b>11,240</b>		<b>11,238</b>
Investments	12		<b>233,834</b>		<b>197,232</b>
			<b>245,074</b>		<b>208,470</b>
<b>Current assets</b>					
Debtors: amounts falling due within one year	13	<b>8,445,173</b>		<b>7,287,689</b>	
Cash at bank and in hand	14	<b>264,685</b>		<b>1,692,225</b>	
		<b>8,709,858</b>		<b>8,979,914</b>	
Creditors: amounts falling due within one year	15	<b>(407,005)</b>		<b>(495,540)</b>	
<b>Net current assets</b>			<b>8,302,853</b>		<b>8,484,374</b>
<b>Net assets attributable to members</b>			<b>8,547,927</b>		<b>8,692,844</b>
<b>Represented by:</b>					
Members' capital classified as equity	17		<b>460,300</b>		<b>460,300</b>
Other reserves classified as equity carried forward	17		<b>8,087,627</b>		<b>8,232,544</b>
			<b>8,547,927</b>		<b>8,692,844</b>
<b>Total members' interests</b>					
Amounts due from members (included in debtors)	13		<b>(8,349,255)</b>		<b>(4,267,912)</b>
Members' other interests	17		<b>8,547,927</b>		<b>8,692,844</b>
			<b>198,672</b>		<b>4,424,932</b>



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**AP VENTURES LLP**  
**REGISTERED NUMBER:OC414076**

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**LLP STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2022**

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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 profit of the LLP for the year was £7,355,083 (2021 - £8,016,903).

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:



**K Eggers**  
Designated member

Date: 26 July 2022

The notes on pages 20 to 37 form part of these financial statements.

AP VENTURES LLP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022

	Members capital (classified as equity) £	Foreign exchange reserve £	Other reserves £	Equity attributable to members £	Non- controlling interests £	Total equity £
At 1 April 2021	460,300	391	8,230,112	8,690,803	21,199	8,712,002
<b>Comprehensive income for the year</b>						
Profit for year for discretionary division among members	-	-	7,402,347	7,402,347	-	7,402,347
Foreign currency translation	-	24,910	-	24,910	-	24,910
Division of profits	-	-	(7,500,000)	(7,500,000)	-	(7,500,000)
<b>Total comprehensive income for the year</b>	-	24,910	(97,653)	(72,743)	-	(72,743)
<b>Contributions by members</b>						
Non-controlling interest	-	-	-	-	43,797	43,797
<b>Total transactions with members</b>	-	-	-	-	43,797	43,797
<b>At 31 March 2022</b>	<b>460,300</b>	<b>25,301</b>	<b>8,132,459</b>	<b>8,618,060</b>	<b>64,996</b>	<b>8,683,056</b>

AP VENTURES LLP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021

	Members capital (classified as equity) £	Foreign exchange reserve £	Other reserves £	Equity attributable to members £	Non- controlling interests £	Total equity £
At 1 April 2020	350,300	(8)	3,911,692	4,261,984	40	4,262,024
<b>Comprehensive income for the year</b>						
Profit for year for discretionary division among members	-	-	8,018,420	8,018,420	19	8,018,439
Foreign currency translation	-	399	-	399	-	399
Division of profits	-	-	(3,700,000)	(3,700,000)	-	(3,700,000)
<b>Total comprehensive income for the year</b>	-	399	4,318,420	4,318,819	19	4,318,838
<b>Contributions by members</b>						
Capital introduced by members	110,000	-	-	110,000	-	110,000
Non-controlling interest	-	-	-	-	21,140	21,140
<b>Total transactions with members</b>	110,000	-	-	110,000	21,140	131,140
<b>At 31 March 2021</b>	<b>460,300</b>	<b>391</b>	<b>8,230,112</b>	<b>8,690,803</b>	<b>21,199</b>	<b>8,712,002</b>

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**AP VENTURES LLP**

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**LLP STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

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	Members' capital (classified as equity) £	Other reserves £	Total equity £
<b>At 1 April 2020</b>	<b>350,300</b>	<b>3,915,641</b>	<b>4,265,941</b>
<b>Comprehensive income for the year</b>			
Profit for year for discretionary division among members	-	8,016,903	8,016,903
Division of profits	-	(3,700,000)	(3,700,000)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>4,316,903</b>	<b>4,316,903</b>
<b>Contributions by and distributions to members</b>			
Capital introduced by members	110,000	-	110,000
<b>Total transactions with members</b>	<b>110,000</b>	<b>-</b>	<b>110,000</b>
<b>At 1 April 2021</b>	<b>460,300</b>	<b>8,232,544</b>	<b>8,692,844</b>
<b>Comprehensive income for the year</b>			
Profit for year for discretionary division among members	-	7,355,083	7,355,083
Division of profits	-	(7,500,000)	(7,500,000)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(144,917)</b>	<b>(144,917)</b>
<b>At 31 March 2022</b>	<b>460,300</b>	<b>8,087,627</b>	<b>8,547,927</b>

AP VENTURES LLP

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	7,402,347	8,018,420
<b>Adjustments for:</b>		
Depreciation of tangible assets	15,819	9,160
Interest paid	-	1,747
Interest received	(162,292)	(124,559)
Taxation charge	298	-
Decrease/(increase) in debtors	2,864,961	(1,712,736)
(Decrease)/increase in creditors	(80,706)	107,185
Fair value gain on investments	(46,800)	-
Foreign exchange	27,111	418
<b>Net cash generated from operating activities before transactions with members</b>	<b>10,020,738</b>	<b>6,299,635</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(16,053)	(5,243)
Purchase of fixed asset investments	(39,658)	(16,473)
Interest received	162,292	124,559
<b>Net cash generated from investing activities</b>	<b>106,581</b>	<b>102,843</b>
<b>Cash flows from financing activities</b>		
Interest paid	-	(1,747)
Members' capital contributed	-	110,000
Loans to members	(2,800,649)	(408,418)
Drawings	(8,780,694)	(6,023,726)
Capital introduced by non-controlling interest	43,797	21,140
<b>Net cash used in financing activities</b>	<b>(11,537,546)</b>	<b>(6,302,751)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,410,227)</b>	<b>99,727</b>

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AP VENTURES LLP

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CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022

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	2022 £	2021 £
Cash and cash equivalents at beginning of year	1,952,689	1,852,962
Cash and cash equivalents at the end of year	<u>542,462</u>	<u>1,952,689</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>542,462</u>	<u>1,952,689</u>

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## AP VENTURES LLP

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 1. General information

AP Ventures LLP is a Limited Liability Partnership, domiciled and incorporated in England and Wales (registered number: OC414076). The registered office address is 16 Littleworth Lane, Esher, Surrey, KT10 9PF.

From 1 November 2019 the LLP became authorised by the Financial Conduct Authority ("FCA") to conduct regulated activity of investment management.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The 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 and the Companies Act 2006 and the requirements of the Statement of Recommended Practice (SORP), "Accounting by Limited Liability Partnerships", issued in December 2018.

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

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.

No Statement of Cash Flows has been presented for the LLP.

The following principal accounting policies have been applied:

##### 2.2 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 using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### 2.3 Going concern

The members have a reasonable expectation that the business has adequate resources to continue in operational existence for the foreseeable future and at least for a period of no less than 12 months following the date of the approval of these accounts. Accordingly, the LLP and Group have continued to adopt the going concern basis in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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**2. Accounting policies (continued)**

**2.4 Foreign currency translation**

**Functional and presentation currency**

The LLP's functional and presentational currency is GBP.

**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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling 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 opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.5 Turnover**

Turnover represents amounts earned in respect of investment management and advisory services provided under contract.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss 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.

**2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.9 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 36 months on a straight-line basis
Office equipment	- 24 months on a straight-line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.10 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Other investments are measured at fair value.

**2.11 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.

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## AP VENTURES LLP

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 2. Accounting policies (continued)

##### 2.12 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.13 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.

##### 2.14 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans to related parties and investments in limited partnerships.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small LLP, or a public benefit entity concessionary loan.

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.

Investments and FX forward contracts are measured at fair value with any changes in the value recognised in profit or loss.

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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.15 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**2.16 Members' interests**

Members' interest treated as a liability are shown as loans repayable within one year when the members can demand repayment thereof. These loans rank *pari passu* with other creditors in the event of winding up. Members' interest not treated as a liability are shown as equity.

Drawings are treated as payments on account of profit allocations and are only repayable to the LLP in so far as there are insufficient profits to allocate against such drawings. Any drawings in excess of total profits allocated would be included within amounts due from members.

**2.17 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the LLP and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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AP VENTURES LLP

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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

**Critical judgements in applying the entity's accounting policies**

No critical judgements have been made in applying the entity's accounting policies that would have a significant effect on the amounts recognised in these financial statements.

**Critical accounting estimates and assumptions**

There are no key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities with the next financial year.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Supply of investment management and advisory services	<u>9,501,766</u>	<u>9,785,927</u>

All turnover arose within the United Kingdom.

**5. Other operating income**

	2022 £	2021 £
Other operating income	<u>28,108</u>	<u>229,440</u>

Other operating income related to provision of other services to Fund II managed by AP Ventures LLP in accordance with clause 3.9 of the Fund II LPA.

**6. Operating profit**

The operating profit is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	18,020	9,160
Exchange differences	(131,401)	(161,803)
Forward exchange forward contract	(13,592)	(55,310)
Operating lease rentals	39,660	50,580
Other operating lease rentals	<u>3,721</u>	<u>4,059</u>

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**AP VENTURES LLP**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**7. Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<b>28,471</b>	<b>27,115</b>
	<u>          </u>	<u>          </u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Audit-related assurance services	<b>2,783</b>	<b>2,650</b>
All other services	<b>4,000</b>	<b>5,800</b>
	<u>          </u>	<u>          </u>
	<b>6,783</b>	<b>8,450</b>
	<u>          </u>	<u>          </u>

**8. Employees**

Staff costs were as follows:

	<b>Group</b>	<b>Group</b>	<b>LLP</b>	<b>LLP</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,264,286</b>	<b>1,097,234</b>	<b>1,132,625</b>	<b>1,048,392</b>
Social security costs	<b>142,285</b>	<b>136,207</b>	<b>140,484</b>	<b>135,724</b>
Costs of defined contribution scheme	<b>93,881</b>	<b>72,988</b>	<b>93,677</b>	<b>72,988</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<b>1,500,452</b>	<b>1,306,429</b>	<b>1,366,786</b>	<b>1,257,104</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

<b>2022</b>	<b>2021</b>
<b>No.</b>	<b>No.</b>
<b>12</b>	<b>12</b>
<u>          </u>	<u>          </u>

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AP VENTURES LLP

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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9. Information in relation to members

	2022 Number	2021 Number
The average number of members during the year was	<u>2</u>	<u>2</u>
	2022 £	2021 £
Profit paid to members	<u>7,500,000</u>	<u>3,700,000</u>
Total remuneration in relation to the highest earning member	<u>4,875,000</u>	<u>2,405,000</u>

10. Interest receivable and similar income

	2022 £	2021 £
Other interest received	<u>162,292</u>	<u>124,559</u>

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**AP VENTURES LLP**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**11. Tangible fixed assets**

**Group**

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>			
At 1 April 2021	6,787	25,881	32,668
Additions	-	16,053	16,053
Disposals	(2,201)	(14,945)	(17,146)
At 31 March 2022	<u>4,586</u>	<u>26,989</u>	<u>31,575</u>
<b>Depreciation</b>			
At 1 April 2021	3,969	13,369	17,338
Charge for the year	1,834	16,186	18,020
Disposals	(2,201)	(14,945)	(17,146)
At 31 March 2022	<u>3,602</u>	<u>14,610</u>	<u>18,212</u>
<b>Net book value</b>			
At 31 March 2022	<u>984</u>	<u>12,379</u>	<u>13,363</u>
At 31 March 2021	<u>2,818</u>	<u>12,512</u>	<u>15,330</u>

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AP VENTURES LLP

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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11. Tangible fixed assets (continued)

LLP

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>			
At 1 April 2021	6,787	21,789	28,576
Additions	-	16,053	16,053
Disposals	(2,201)	(14,945)	(17,146)
At 31 March 2022	4,586	22,897	27,483
<b>Depreciation</b>			
At 1 April 2021	3,969	13,369	17,338
Charge for the year	1,834	14,217	16,051
Disposals	(2,201)	(14,945)	(17,146)
At 31 March 2022	3,602	12,641	16,243
<b>Net book value</b>			
At 31 March 2022	984	10,256	11,240
At 31 March 2021	2,818	8,420	11,238



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AP VENTURES LLP

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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12. Fixed asset investments

Group

Investment  
in Limited  
Partnership  
£

Fair value

At 1 April 2021

16,473

Additions

39,658

Revaluations

46,800

At 31 March 2022

102,931

LLP

Investments  
in  
subsidiary  
companies  
£

Cost

At 1 April 2021

197,232

Additions

36,602

At 31 March 2022

233,834

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AP VENTURES LLP

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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12. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Registered office	Class of shares	Holding
AP Ventures Fund I GP LLP	16 Littleworth Lane, Esher, Surrey, KT10 9PF	Limited liability partnership capital	99%
AP Ventures Fund II GP LLP	16 Littleworth Lane, Esher, Surrey, KT10 9PF	Limited liability partnership capital	99%
AP Ventures Co-Investment I GP LLP	16 Littleworth Lane, Esher, Surrey, KT10 9PF	Limited liability partnership capital	99%
AP Ventures Co-Investment II GP LLP	16 Littleworth Lane, Esher, Surrey, KT10 9PF	Limited liability partnership capital	99%
AP Ventures Carried Interest I GP LLP	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ	Limited liability partnership capital	99%
AP Ventures Carried Interest II GP LLP	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ	Limited liability partnership capital	99%
AP Ventures SA (Pty) Ltd	B4 Century Square, Heron Crescent, Century City Cape Town, Western Cape, 7441	Ordinary	100%

AP VENTURES LLP

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

13. Debtors

	Group 2022 £	Group 2021 £	LLP 2022 £	LLP 2021 £
Trade debtors	1,774	329	-	329
Amounts owed by group undertakings	-	-	16,452	65,274
Other debtors	64,769	1,439,888	49,781	1,438,008
Prepayments and accrued income	29,685	11,836	29,685	7,030
Short term deposit	-	1,509,136	-	1,509,136
Amounts due from members	8,349,255	4,267,912	8,349,255	4,267,912
	<u>8,445,483</u>	<u>7,229,101</u>	<u>8,445,173</u>	<u>7,287,689</u>

14. Cash and cash equivalents

	Group 2022 £	Group 2021 £	LLP 2022 £	LLP 2021 £
Cash at bank and in hand	542,462	1,952,689	264,685	1,692,225

15. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	LLP 2022 £	LLP 2021 £
Trade creditors	31,365	24,748	26,627	24,282
Other taxation and social security	29,553	36,909	28,185	36,909
Other creditors	8,240	5,888	2,380	299
Accruals and deferred income	340,590	409,316	338,676	409,320
Fair value of FX forward contracts	11,137	24,730	11,137	24,730
	<u>420,885</u>	<u>501,591</u>	<u>407,005</u>	<u>495,540</u>

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AP VENTURES LLP

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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16. Deferred taxation

Group

2022  
£

Charged to profit or loss

298

At end of year

298

The deferred taxation balance is made up as follows:

Group  
2022  
£

Accelerated capital allowances

298

AP VENTURES LLP

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

17. Reconciliation of members' interests (Group)

	EQUITY Members' other interests			DEBT Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £	Total £
Amounts due from members				(1,535,768)	(1,535,768)	
<b>Balance at 1 April 2020</b>	<b>350,300</b>	<b>3,911,684</b>	<b>4,261,984</b>	<b>(1,535,768)</b>	<b>(1,535,768)</b>	<b>2,726,216</b>
Profit for the year available for discretionary division among members	-	8,018,420	8,018,420	-	-	8,018,420
<b>Members' interests after profit for the year</b>	<b>350,300</b>	<b>11,930,104</b>	<b>12,280,404</b>	<b>(1,535,768)</b>	<b>(1,535,768)</b>	<b>10,744,636</b>
Other division of profits	-	(3,700,000)	(3,700,000)	3,700,000	3,700,000	-
Movement in reserves	-	399	399	-	-	399
Amounts introduced by members	110,000	-	110,000	-	-	110,000
Loans to members	-	-	-	(408,418)	(408,418)	(408,418)
Drawings	-	-	-	(6,023,726)	(6,023,726)	(6,023,726)
Amounts due from members				(4,267,912)	(4,267,912)	
<b>Balance at 31 March 2021</b>	<b>460,300</b>	<b>8,230,503</b>	<b>8,690,803</b>	<b>(4,267,912)</b>	<b>(4,267,912)</b>	<b>4,422,891</b>
Profit for the year available for discretionary division among members	-	7,402,347	7,402,347	-	-	7,402,347
<b>Members' interests after profit for the year</b>	<b>460,300</b>	<b>15,632,850</b>	<b>16,093,150</b>	<b>(4,267,912)</b>	<b>(4,267,912)</b>	<b>11,825,238</b>
Other division of profits	-	(7,500,000)	(7,500,000)	7,500,000	7,500,000	-
Movement in reserves	-	24,910	24,910	-	-	24,910
Loans to members	-	-	-	(2,800,649)	(2,800,649)	(2,800,649)
Drawings	-	-	-	(8,780,694)	(8,780,694)	(8,780,694)
Amounts due from members				(8,349,255)	(8,349,255)	
<b>Balance at 31 March 2022</b>	<b>460,300</b>	<b>8,157,760</b>	<b>8,618,060</b>	<b>(8,349,255)</b>	<b>(8,349,255)</b>	<b>268,805</b>

AP VENTURES LLP

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

17. Reconciliation of members' interests (LLP)

	EQUITY			DEBT		Total
	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £	Total £
Amounts due from members				(1,535,768)	(1,535,768)	
Balance at 1 April 2020	350,300	3,915,641	4,265,941	(1,535,768)	(1,535,768)	2,730,173
Profit for the year available for discretionary division among members	-	8,016,903	8,016,903	-	-	8,016,903
Members' interests after profit for the year	350,300	11,932,544	12,282,844	(1,535,768)	(1,535,768)	10,747,076
Other division of profits	-	(3,700,000)	(3,700,000)	3,700,000	3,700,000	-
Amounts introduced by members	110,000	-	110,000	-	-	110,000
Loans to members	-	-	-	(408,418)	(408,418)	(408,418)
Drawings	-	-	-	(6,023,726)	(6,023,726)	(6,023,726)
Amounts due from members				(4,267,912)	(4,267,912)	
Balance at 31 March 2021	460,300	8,232,544	8,692,844	(4,267,912)	(4,267,912)	4,424,932
Profit for the year available for discretionary division among members	-	7,355,083	7,355,083	-	-	7,355,083
Members' interests after profit for the year	460,300	15,587,627	16,047,927	(4,267,912)	(4,267,912)	11,780,015
Other division of profits	-	(7,500,000)	(7,500,000)	7,500,000	7,500,000	-
Loans to members	-	-	-	(2,800,649)	(2,800,649)	(2,800,649)
Drawings	-	-	-	(8,780,694)	(8,780,694)	(8,780,694)
Amounts due from members				(8,349,255)	(8,349,255)	
Balance at 31 March 2022	460,300	8,087,627	8,547,927	(8,349,255)	(8,349,255)	198,672

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AP VENTURES LLP

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**17. Reconciliation of members' interests (LLP) (continued)**

All members are equity members and share in the profits and subscribe the entire capital of the LLP. At any time where the LLP is subject to regulatory capital requirements, each member's capital subscription may only be withdrawn on cessation of membership of the LLP by a member with the FCA approval or where an ordinary member or existing members replace such capital in order to meet such regulatory capital requirements. Accordingly, capital contributions are classified as equity under section 22 of FRS 102.

**18. Pension commitments**

The LLP operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the LLP in an independently administered fund. The pension cost charge represents contributions payable by the LLP to the fund amounted to £93,677 (2021 - £72,988). There were no outstanding contributions payable to the Pension fund at the reporting date (2021 - £Nil).

**19. Commitments under operating leases**

At 31 March 2022 the Group and the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>LLP 2022 £</b>	<b>LLP 2021 £</b>
Not later than 1 year	<b>1,059</b>	50,658	<b>1,059</b>	50,658
Later than 1 year and not later than 5 years	-	882	-	882
	<b>1,059</b>	<b>51,540</b>	<b>1,059</b>	<b>51,540</b>

**20. Financial risk management**

The LLP has exposure to two main areas of risk – liquidity and credit risk.

*Liquidity risk*

The objective of the LLP in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The LLP expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all of the financial obligations, the members are able to reduce their level of drawings. The LLP reviews its cash management regularly and manages its liquidity risk by holding funds across various banks. The LLP has developed a mechanism of early warning indicators to notify members of a drop in liquidity.

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**20. Financial risk management (continued)**

*Credit risk*

Credit risk refers to the potential risk that customers fail to meet their obligations as they fall due. The principal credit risk that the LLP faces is in respect of investment management fees earned but not received. Fees are usually received bi-annually in advance of the service being earned; thus, credit risk is negligent. The LLP also has credit risk exposure to its bankers and considers this risk to be minimal. Loan advances made to members are well short of the available distributable profits that can be allocated and withdrawn. In addition, the LLP has credit risk exposure to the Funds it manages and considers the risk low as both Funds are well supported by the Funds' Limited Partners.

**21. Related party transactions**

The LLP has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly owned group entities.

In the year to 31 March 2022 the LLP earned an amount of £846,468 (2021 - £1,224,689) and £8,654,418 (2021 - £8,559,442) for supply of investment management and advisory services to AP Ventures Fund I LP and AP Ventures Fund II LP respectively. As at 31 March 2022 an amount of £Nil (2021 - £1,195,830) was due from AP Ventures Fund II LP.

**22. Subsidiaries claiming audit exemption**

The following limited liability partnerships which are included within the consolidated accounts have claimed the audit exemption available under Section 479A of the Companies Act 2006, as applicable to the Limited Liability Partnerships, and their individual limited liability partnership accounts have not been audited as at 31 March 2022:

Limited liability partnership name	Registered number	Country of incorporation
AP Ventures Fund I GP LLP	OC422437	England and Wales
AP Ventures Fund II GP LLP	OC422436	England and Wales
AP Ventures Co-Investment I GP LLP	OC422434	England and Wales
AP Ventures Co-Investment II GP LLP	OC422435	England and Wales
AP Ventures Carried Interest I GP LLP	SO306409	Scotland
AP Ventures Carried Interest II GP LLP	SO306410	Scotland

**23. Ultimate controlling party**

In the opinion of the designated members there is no ultimate controlling party.