

# Clarendon Fund Managers Limited

## Financial statements

Year ended 31 August 2016

Company registration No. 03525474



# Clarendon Fund Managers Limited

## Directors' Report and financial statements

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# Clarendon Fund Managers Limited

## Directors and other information

### Directors

Philip S Cammerman  
Alan Mawson  
Neil Simms  
Brian Cummings (appointed 19 August 2016)  
James Paul Curran (appointed 19 August 2016)

### Secretary

Anthony N Fiducia

### Bankers

Bank of Ireland  
Belfast City Branch  
Belfast  
BT1 2BA

### Solicitors

A&L Goodbody Solicitors  
Augustine House  
6A Austin Friars  
London  
England  
EC2N 2HA

### Auditors

KPMG  
Chartered Accountants  
Stokes House  
17/25 College Square East  
Belfast  
BT1 6DH

### Registered office

A&L Goodbody Solicitors  
Augustine House  
6A Austin Friars  
London  
England  
EC2N 2HA

### Registered in England number

03525474

# Clarendon Fund Managers Limited

## Directors' report

The Directors have pleasure in submitting their Annual Report together with the audited financial statements of Clarendon Fund Managers Limited ("the Company") for the year ended 31 August 2016.

### Principal activities and business review

The principal activity of the Company is the management of venture capital funds. There were no significant changes to the principal activity during the year. The Directors do not plan any significant changes in the principal activity within the foreseeable future.

### Results and dividends

Details of the results for the year are set out in the profit and loss account on page 7 and related notes. The Directors did not recommend the payment of dividends during the current year (2015: £nil).

### Policy and practice on payment of creditors

We are committed to establishing mutually beneficial relationships with our suppliers and it is our policy to pay them within 30 days of the invoice date, or as otherwise agreed.

At the year end, there were 17 days (2015: 22 days) purchases in trade creditors.

### Tangible fixed assets

The movement in tangible fixed assets is set out in note 6 to the financial statements.

### Directors

The Directors at 31 August 2016 were as follows:

Alan Mawson  
Philip S Cammerman  
Neil Simms  
James Curran  
Brian Cummings

### Political contributions

The Company made no political contributions during the year (2015: £nil).

### Small company exemption

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

In preparing the directors report, the directors have taken the small company exemption under section 414B of the Companies Act 2006 (Strategic & Directors report) Regulations 2015, not to prepare a strategic report for presentation with these financial statements.

# Clarendon Fund Managers Limited

## Directors' report (continued)

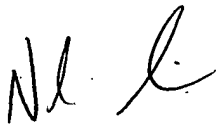
### **Disclosure of information to auditors**

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditors**

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG will therefore continue in office.

By order of the board



Neil Simms  
*Director*

28 March 2017

# Clarendon Fund Managers Limited

## Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and section 1A of FRS102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (UK Generally Accepted Accounting Practice).

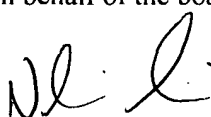
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



Neil Simms  
*Director*

28 March 2017



**KPMG**

**Audit**

Stokes House  
17-25 College Square East  
Belfast BT1 6DH  
Northern Ireland

## Independent auditors' report to the members of Clarendon Fund Managers Limited

We have audited the financial statements of Clarendon Fund Managers Limited for the year ended 31 August 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and section 1A of FRS102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities). Our audit was conducted in accordance with International Standards in Auditing (UK and the Republic of Ireland).

### Opinions and conclusions arising from our audit

#### *1 Our opinion on the financial statements is unmodified*

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### *2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below*

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the financial statements and from reading the directors' report:

- we have not identified material misstatements in that report; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

#### *3 We have nothing to report in respect of matters on which we are required to report by exception*

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



**KPMG**  
**Audit**  
Stokes House  
17-25 College Square East  
Belfast BT1 6DH  
Northern Ireland

## Independent auditors' report to the members of Clarendon Fund Managers Limited (continued)

We have nothing to report in respect of the above responsibilities.

### **Basis of our report, responsibilities and restrictions on use**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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

John Poole (Senior Statutory Auditor)  
**for and on behalf of KPMG, Statutory Auditor**  
*KPMG Chartered Accountants*  
Stokes House  
17-25 College Square East  
Belfast

28 March 2017

# Clarendon Fund Managers Limited

## Profit and loss account

Year ended 31 August 2016

	<i>Note</i>	<b>2016</b> £	<b>2015</b> £
Management fees receivable		<b>629,844</b>	417,025
Other income	2	<b>85,676</b>	80,189
Administrative expenses		<b>(688,357)</b>	(524,695)
<b>Profit / (loss) on ordinary activities before taxation</b>	3	<b>27,163</b>	(27,481)
Tax on profit / (loss) on ordinary activities	5	<b>(7,925)</b>	7,410
<b>Profit / (loss) for the financial year</b>	12	<b>19,238</b>	<b>(20,071)</b>

The Company has no recognised gains or losses other than those included above and therefore no Statement of Other Comprehensive Income has been presented.

All activity has arisen from continuing operations.

The notes on pages 11 to 21 form part of these financial statements.

# Clarendon Fund Managers Limited

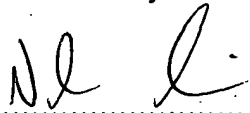
## Balance sheet

As at 31 August 2016

	Note	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Tangible assets	6		89		3,295
Investments	7		5,004		5,004
			<u>5,093</u>		<u>8,299</u>
<b>Current assets</b>					
Debtors	8	130,930		220,046	
Cash at bank		148,753		126,859	
		<u>279,683</u>		<u>346,905</u>	
<b>Creditors: amounts falling due within one year</b>	9	(211,373)		(246,339)	
				<u></u>	
<b>Net current assets</b>			<u>68,310</u>		<u>100,566</u>
<b>Net assets</b>			<u>73,403</u>		<u>108,865</u>
<b>Capital and reserves</b>					
Called up share capital	10		300		1,500
Capital redemption reserve	11		34,000		32,500
Profit and loss account	11		39,103		74,865
			<u></u>		<u></u>
<b>Shareholders equity</b>	12		<u>73,403</u>		<u>108,865</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with provisions of section 1A small entities of FRS 102.

The financial statements were approved by the Board of Directors on the 28 March 2017 and were signed on its behalf by:

  
 .....  
 N Simms (Director)  
 For and on behalf of  
 Clarendon Fund Managers Limited

Company registration number: 03525474

The notes on pages 11 to 21 form part of these financial statements.

# Clarendon Fund Managers Limited

## Statement of changes in equity

*Year ended 31 August 2016*

	<b>Called-up share capital</b>	<b>Capital Redemption Reserve</b>	<b>Profit and loss account</b>	<b>Total Equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 September 2014	1,500	32,500	94,936	128,936
Total comprehensive income for the year	-	-	(20,071)	(20,071)
Balance at 31 August 2015	1,500	32,500	74,865	108,865
Balance at 1 September 2015	1,500	32,500	74,865	108,865
Total comprehensive income for the year	-	-	19,238	19,238
Disposal of own shares	(1,500)	1,500	(55,000)	(55,000)
Issue of shares	300	-	-	300
Balance at 31 August 2016	300	34,000	39,103	73,403

The notes on pages 11 to 21 form part of these financial statements.

# Clarendon Fund Managers Limited

## Cash flow statement

For the year ended 31 August 2016

	<i>Note</i>	<b>2016</b> £	<b>2015</b> £
<b>Cash flows from Operating Activities</b>	<i>13(a)</i>	<b>76,594</b>	<b>70,203</b>
Capital expenditure payment to acquire tangible fixed assets		-	(2,448)
<b>Net cash from Operating Activities</b>	<i>13(a)</i>	<b>76,594</b>	<b>67,755</b>
<b>Cash flows from Financing Activities</b>			
Share investment		300	-
Company purchase of own shares		(55,000)	-
<b>Net cash from Financing Activities</b>		<b>(54,700)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<i>13(b)</i>	<b>21,894</b>	<b>67,755</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>126,859</b>	<b>59,104</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>148,753</b>	<b>126,859</b>

# Clarendon Fund Managers Limited

## Notes

*(forming part of the financial statements)*

### 1 Principal accounting policies

Clarendon Fund Managers Limited ("the Company") as a company incorporated and domiciled in Northern Ireland. The presentation currency of these financial statements is sterling.

#### ***Basis of preparation***

The Company has adopted FRS 102 "the financial reporting standard applicable in the UK and Ireland" as issued in September 2015 ("FRS 102") section 1A small entities for the year ended 31 August 2016. In the prior period the accounts were prepared in accordance with the UK accounting standards and applicable law (UK Generally Accepted Accounting Practice). Accordingly the Company has restated the comparative prior year amounts to comply with FRS 102. In the transition to FRS 102 from old UK GAAP the Company has made measurement and recognition adjustments. An explanation of how the transition to FRS 102 has effected financial position and financial performance of the company is provided in Note 17.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in the financial statements.

#### ***Going concern***

The Directors consider, having taken into account all information that could reasonably be expected to be available, that the Company will have sufficient cash-flow to enable it to meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

#### ***Consolidated financial statements***

The Company is exempt by virtue of section 399 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking.

#### ***Bank interest and dividends***

Bank interest and dividends received from subsidiary undertakings are recognised on an accruals basis.

#### ***Investments***

Investments are stated at cost less any provisions for impairments in value.

#### ***Depreciation***

Fixed assets are depreciated on a straight line basis over their useful economic lives as follows:

Fixtures and fittings	-	33 % per annum
Office equipment	-	33 % per annum

#### ***Taxation***

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

# Clarendon Fund Managers Limited

## Notes (continued)

### Principal accounting policies (continued)

Deferred tax is provided in respect of all timing differences that have originated but not reversed at the balance sheet date and is determined using the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax assets are recognised only to the extent that they are expected to be recoverable.

### Classification of financial instruments issued by the Company

Following the adoption of FRS 102, financial instruments issued by the Company are treated as equity (ie: forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with other party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligations to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial statements for called up share capital and share premium account exclude amount in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

### Income recognition

Management fees and other income excludes value-added tax and represents the fair value of services delivered to customers in the accounting period. Services are deemed to have been delivered to customers when, and to the extent that the entity has met its obligations under its service contracts. Investment income arises from our investment in Whiterock Capital Partners LLP and relates to Tier three income profits/arising from the financial performance of that investment as allowed for under the Limited Liability Partnership agreement dated 31 October 2013.

## 2 Other income

	2016 £	2015 £
Investment Income	85,676	80,189
	<hr/>	<hr/>
	85,676	80,189
	<hr/>	<hr/>

# Clarendon Fund Managers Limited

## Notes (continued)

### 3 Operating profit

This is stated after charging:

	2016 £	2015 £
Auditors' remuneration - audit services	6,700	6,700
Depreciation	3,206	4,719
	<u>          </u>	<u>          </u>

### 4 Staff costs

(a) The aggregate payroll costs for the year were as follows:

	2016 £	2015 £
Wages and salaries	243,088	213,766
Social security costs	35,994	25,160
Other pension costs	162,974	62,774
	<u>          </u>	<u>          </u>
	442,056	301,700
	<u>          </u>	<u>          </u>

The average number of persons employed by the Company during the year was 4 (2015: 4).

(b) Directors' emoluments

	2016 £	2015 £
Remuneration	389,692	82,500
Directors Consultancy Fee	142,242	127,000
	<u>          </u>	<u>          </u>
	531,934	209,500
	<u>          </u>	<u>          </u>

Retirement benefits were accrued on behalf of no directors under purchase money schemes (2015: £nil directors).

# Clarendon Fund Managers Limited

## Notes (continued)

### 5 Tax on profit on ordinary activities

	2016 £	2015 £
<i>(a) Analysis of tax charge in the year</i>		
<i>Current tax</i>		
Corporation tax	-	-
Adjustment in respect of prior year	-	(661)
	<u>-</u>	<u>(661)</u>
<i>Deferred tax</i>		
Deferred tax charge in current year	7,186	(5,156)
Deferred tax charge in respect of prior year	286	(1,593)
Impact of change in tax rates	453	-
	<u>7,925</u>	<u>(6,749)</u>
<b>Total tax charge / (credit)</b>	<b>7,925</b>	<b>(7,410)</b>

#### *(b) Factors affecting tax charge for the year*

The current tax charge for the period is higher (2015: higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2016 £	2015 £
Profit / (loss) on ordinary activities before tax	27,163	(27,481)
Current tax at 20% (2015 at 20%)	5,433	(5,496)
Effects of:		
Expenses not deductible for tax reasons	1,753	340
Adjustments to tax charge in respect of previous periods	286	(2,254)
Impact of change in tax rates	453	-
<b>Total tax charge for period</b>	<b>7,925</b>	<b>(7,410)</b>

# Clarendon Fund Managers Limited

## Notes (continued)

### 5 Tax on profit on ordinary activities (continued)

(c) Factors which may affect future tax charges:

Reductions in the UK corporation tax rate from 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were enacted on 26 October 2015. Finance Bill 2016 further reduced the 18% rate to 17% from 1 April 2020, following substantial enactment on 6 September 2016. Together this will reduce the company's future tax charges accordingly.

### 6 Tangible assets

	<i>Office equipment</i> £	<i>Fixtures &amp; fittings</i> £	<i>Total</i> £
<b>Cost</b>			
At 1 September 2015	38,764	9,282	48,046
Additions	-	-	-
<b>At 31 August 2016</b>	<b>38,764</b>	<b>9,282</b>	<b>48,046</b>
<b>Depreciation</b>			
At 1 September 2015	37,305	7,446	44,751
Charge for the year	1,370	1,836	3,206
<b>At 31 August 2016</b>	<b>38,675</b>	<b>9,282</b>	<b>47,957</b>
<b>Net book value</b>			
<b>At 31 August 2016</b>	<b>89</b>	<b>-</b>	<b>89</b>
At 31 August 2015	1,459	1,836	3,295

# Clarendon Fund Managers Limited

## Notes (continued)

### 7 Investments

	2016 £	2015 £
Investment in NI Venture Partners Limited ( <i>subsidiary</i> )	2	2
Investment in Clarendon Fund Nominees Limited ( <i>subsidiary</i> )	1	1
Investment in Nitech Venture Partners Limited ( <i>subsidiary</i> )	1	1
Investment in WhiteRock Capital Partners LLP ( <i>associate</i> )	5,000	5,000
	<hr/>	<hr/>
	5,004	5,004
	<hr/>	<hr/>

The Company holds 2 ordinary shares of £1 each in NI Venture Partners Limited. This represents the entire share capital of NI Venture Partners Limited, a Company incorporated in the United Kingdom and whose principal activity is its role as General Partner in a venture capital limited partnership, the Viridian Growth Fund.

For the year ended 31 August 2016 and year ended 31 August 2015 NI Venture Partners Limited made neither a profit nor a loss and had net assets of £2.

The Company holds 1 ordinary share of £1 in Clarendon Fund Nominees Limited. This represents the entire share capital of Clarendon Fund Nominees Limited, a Company incorporated in the United Kingdom and whose principal activity is the provision of share certificate safe-keeping services.

For the year ended 31 August 2016 and year ended 31 August 2015 Clarendon Fund Nominees Limited made neither a profit nor a loss and had net assets of £1.

The Company holds 1 ordinary share of £1 in Nitech Venture Partners Limited. This represents the entire share capital of Nitech Venture Partners Limited, a Company incorporated in the United Kingdom and whose principal activity is its role as General Partner in a venture capital limited partnership, the Nitech Growth Fund.

For the year ended 31 August 2016 and year ended 31 August 2015 Nitech Venture Partners Limited made neither a profit nor a loss and had net assets of £1.

Viridian Growth Fund Limited Partnership and Nitech Growth Fund Limited Partnership are both deemed to be subsidiaries of the Company due to its interest in NI Venture Partners Limited and Nitech Venture Partners Limited as set out above.

The Company holds £5,000 of member capital of WhiteRock Capital Partners LLP. This represents 33.33% of the member capital of WhiteRock Capital Partners Limited Liability Partnership, a limited liability partnership incorporated in the United Kingdom and whose principal activity is as a Fund Management Company.

WhiteRock Capital Partners LLP for the year ended 31 March 2016 made a profit of £42,444, and had net assets of £82,828.

# Clarendon Fund Managers Limited

## Notes (continued)

### 8 Debtors: amounts falling due within one year

	2016 £	2015 £
Trade debtors	35,706	35,379
Amounts due from subsidiary and associate undertakings	63,442	150,210
Other debtors	27,045	21,795
Deferred tax debtor	4,076	12,001
Corporation tax receivable	661	661
	<u>130,930</u>	<u>220,046</u>

### 9 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	11,519	6,031
Founder loan	50	50
Accruals and deferred income	112,501	120,314
Corporation tax liability	-	-
Other taxes and social security costs	12,180	39,056
Amounts due to subsidiary and associate undertakings	75,123	80,888
	<u>211,373</u>	<u>246,339</u>

### 10 Share capital

	2016 £	2015 £
<b>Allotted, issued and fully paid:</b>		
A ordinary shares of £1 each	300	1,500
	<u>300</u>	<u>1,500</u>
Shares classified in shareholders' funds	300	1,500
	<u>300</u>	<u>1,500</u>

# Clarendon Fund Managers Limited

## Notes (continued)

### 11 Reserves

	Capital redemption reserve £	Profit & loss account £	Total £
At 1 September 2015	32,500	74,865	107,365
Company purchase of own shares	1,500	(55,000)	(53,500)
Profit for the financial year	-	19,238	19,238
	<hr/>	<hr/>	<hr/>
<b>At 31 August 2016</b>	<b>34,000</b>	<b>39,103</b>	<b>73,103</b>
	<hr/>	<hr/>	<hr/>

### 12 Reconciliation of movements in shareholders' funds

	2016 £	2015 £
Opening shareholders' funds	108,865	128,936
Company purchase of own shares	(55,000)	-
Share capital received	300	-
Profit/(loss) for the financial year	19,238	(20,071)
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>73,403</b>	<b>108,865</b>
	<hr/>	<hr/>

On the 19<sup>th</sup> August 2016 the Company purchased back 1,500 £1 ordinary shares from Dr Alan Mawson for consideration of £55,000. The Company also issued 300 £1 Ordinary shares that were equally purchased by Neil Simms, Brian Cummings and James Curran.

# Clarendon Fund Managers Limited

## Notes (continued)

### 13 Notes to the statement of cash flows

#### (a) Reconciliation of operating loss to net cash inflow from operating activities

	2016 £	2015 £
Operating profit / (loss)	19,238	(27,481)
Depreciation	3,206	4,719
Decrease in debtors	89,116	38,506
(Increase) / decrease in creditors	(34,966)	54,459
	<u>76,594</u>	<u>70,203</u>

#### (b) Analysis of changes in net debt

	At 31 August 2015 £	Cash flow £	At 31 August 2016 £
Cash at bank and in hand	126,859	21,894	148,753
Debt due within one year	-	-	-
Debt due after one year	-	-	-
	<u>126,859</u>	<u>21,894</u>	<u>148,753</u>

### 14 Contingent liabilities

There were no contingent liabilities at 31 August 2016 (2015: £nil).

# Clarendon Fund Managers Limited

## Notes (continued)

### 15. Related party transactions

During the year the Company entered into the following transactions with subsidiary and associate undertakings:

	2016 £	2015 £
NI Venture Partners Limited		
Fees received and receivable	271,245	58,424
Clarendon Fund Nominees Limited		
Fees received and receivable	-	-
Nitech Venture Partners Limited		
Fees received and receivable	-	-
Whiterock Capital Partners LLP		
Fees and investment income received and receivable	85,676	80,189
Fees paid and payable	34,600	34,600

The fees paid by NI Venture Partners Limited relate to the management of the Viridian Growth Fund Limited Partnership. The fees paid by Nitech Venture Partners Limited relate to the management of the Nitech Growth Fund Limited Partnership. The fees paid by Whiterock Capital Partners LLP relate to services provided to it in relation to its management of the Growth Loan Fund Limited Partnership, and Tier three profit share arising as allowed for under the Limited Liability Partnership agreement dated 31 October 2013. Fees due to Whiterock Capital Partners LLP are in respect of Rent and Rates recharge due on the operating premises.

The aggregate amounts receivable from and payable to subsidiary undertakings, associate undertakings and other related parties at the balance sheet date were:

	2016 £	2015 £
Clarendon Fund Nominees Limited		
Receivable within one year	6,846	6,846
Nitech Venture Partners Limited		
Receivable within one year	8,495	8,495
NI Venture Partners Limited		
Receivable within one year	-	32,936
Whiterock Capital Partners LLP		
Receivable within one year	48,100	101,933
Payable within one year	22,644	23,529

In addition, £57,359 is payable to subsidiary undertakings at the balance sheet date in respect of accumulated tax losses surrendered to the company (2015: £57,359).

These amounts are included within debtors (note 8) and creditors (note 9).

# Clarendon Fund Managers Limited

## Notes *(continued)*

### **15 Related party transactions (continued)**

All dealings with fellow subsidiary undertakings, associate undertakings and other related parties are in the ordinary course of business and on normal terms and conditions.

### **16 Ultimate controlling party**

There is no ultimate controlling party as the company is owned equally by three shareholders with equal voting and control rights.

### **17 Explanation of transition to FRS 102 from old UK GAAP**

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 August 2016 and the comparative information presented in these financial statements for the year ended 31 August 2015.

In preparing its FRS 102 balance sheet, the Company have not adjusted any amounts reposted previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP).