Confidential

Registered number: 09693953

LGGP HOLDINGS LIMITED (FORMERLY ACCELERATED DIGITAL VENTURES LIMITED)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

LGGP HOLDINGS LIMITED

CONTENTS

LGGP HOLDINGS LIMITED
COMPANY INFORMATION

Directors

Andrew J Sloane
James E Foster
Jasan Fitzpatrick
Christopher J.P. Hopkins

Registered number

09693953

Registered office

One, Coleman Street
London
EC2R 5AA
England

Independent auditors

KPMG LLP
Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Bankers

HSBC Innovation Bank Limited
Alphabeta
14-18 Finsbury Square
London
EC2A 1BR

LGGP HOLDINGS LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Principal activities

The principal activity of LGGP Holdings Limited (the "Company") is investing in early stage technology companies and venture capital managers.

Business review

During 2022, the Company supported continued deployment from the early stage managers. The Company also invested in early stage technology companies directly from its own balance sheet.

Results and dividends

The trading results for the year and the financial position at the end of the year are shown in the financial statements.

The Directors do not recommend the payment of a dividend.

Principal risks and uncertainties

The principal risk facing the Company is that it invests in early stage businesses. As such, its success depends on its ability to source investment opportunities, to make said investments and for those investments to develop and grow in value. The Company seeks to mitigate this risk by carrying out thorough due diligence prior to investing and regularly monitors and reviews the performance of its investments post-investment whilst actively engaging with and supporting investee companies.

Geopolitical risks

2022 has seen a range of geopolitical risks come to the fore, with the potential for significant disruption to global economic activity. The risks of inflation and interest rate arise in the Company's normal course of business, as well as the companies that the Company has invested in, either directly or via a fund. We are carefully monitoring the impacts for both the Company and the companies it has invested in from a range of geopolitical scenarios.

Key performance indicators ("KPIs")

The key financial and other performance indicators during the year were as follows:

	2022	2021
Turnover	**2,462,000**	3,056,000
Operating (loss)/profit	**(8,045,833)**	26,144,241
Cash in bank	**1,016,252**	1,434,921
Net assets	**73,804,475**	81,014,000

LGGP HOLDINGS LIMITED
STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Future developments

The Directors will continue to monitor the Company's success and have no plans for change either to the structure or to the strategic objectives of the Company in the foreseeable future.

By order of the board:

DocuSigned by:
Christopher Hopkins
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Christopher J.P. Hopkins

Director
Date: 21 September 2023

LGGP HOLDINGS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors have pleasure in presenting their report and financial statements of the Company for the year ended 31 December 2022.

Change of name

On 22 February 2023, the Company changed its name from Accelerated Digital Ventures Limited to LGGP Holdings Limited.

Financial risk management objectives and policies

The objective of the Board is to manage risk across the Company enabling the Company to achieve its business objectives.

Changes in key business objectives which may alter the risks faced by the Company are monitored closely by the Board throughout the year to ensure that the necessary changes to internal controls or procedures are implemented.

A detailed review of financial risk management is given in note 13.

Share capital

On 11 January 2022, the Company cancelled 180 B2 Ordinary shares of £0.01 each, 200 C1 Ordinary shares of £0.01 each and 200 C2 Ordinary shares of £0.01 each.

On 8 March 2022, the Company cancelled 360 C1 Ordinary shares of £0.01 each and 360 C2 Ordinary shares of £0.01 each.

On 14 March 2022, the Company cancelled 480 C1 Ordinary shares of £0.01 each and 480 C2 Ordinary shares of £0.01 each.

On 6 June 2022, the Company issued 7,350 B Ordinary shares of £0.01 each for a total consideration of £73.

On 6 June 2022, the Company designated 12,750,000 A1 Ordinary shares of £0.01 each, 1,600 B1 Ordinary shares of £0.01 each and 4,345 B2 Ordinary shares of £0.01 each to A Ordinary shares of £0.01 each. On the same date the Company also designated 5,085 C1 Ordinary shares of £0.01 each and 5,085 C2 Ordinary shares of £0.01 each to Deferred shares of £0.01 each.

Directors

The Directors who served the Company during the year were as follows:

Andrew J Sloane	(appointed 24 May 2023)
Christopher J.P. Hopkins	
Jasan Fitzpatrick	
James E Foster	(appointed 24 May 2023)
Peter Maher	(resigned 20 February 2023)
Vishal Gor	(resigned 13 February 2023)

LGGP HOLDINGS LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

The Directors have made an assessment of the Company's going concern, considering both its current performance and its outlook, which takes account of the current and expected future impact of the conflict in Ukraine and the insolvency of the UK arm of Silicon Valley Bank, using the information available up to the date of issue of the financial statements. As a result of such assessment and after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future (being a period of at least 12 months from the date that these financial statements are approved).

The Company, therefore, continues to adopt the going concern basis in preparing its financial statements.

Post balance sheet events

The UK arm of Silicon Valley Bank (SVB UK) recently rebranded as HSBC Innovation Bank Limited is the banking provider for LGGP Holdings Limited. On 10 March 2023, the Bank of England announced it was placing SVB UK into insolvency. This presented a risk to the capital that LGGP Holdings Limited held with SVB UK. On 13 March HSBC announced that it was purchasing SVB UK, and guaranteed that all deposits would be protected. As a result, LGGP Holdings Limited has not been adversely impacted by this event and it does not pose a risk to LGGP Holdings Limited continuing to be a going concern.

One of the Company's direct balance sheet investments has reduced in value by £14m since 31 December 2022.

Directors' indemnities

The Company has indemnified the Directors and Officers of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The Directors are responsible for preparing the Strategic Report, 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 UK-adopted international accounting standards and applicable law.

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, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements (continued)

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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the Directors, who held office at the date of the Directors' Report is approved, confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

By order of the board:

DocuSigned by:

Christopher Hopkins

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Christopher J.P. Hopkins
Director
Date: 21 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGGP HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of LGGP Holdings Limited ("the company") for the year ended 31 December 2022 which comprise the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flow, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

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

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

Our conclusions based on this work:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGGP HOLDINGS LIMITED (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of senior management as to the Company's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.

- Reading the Company's board minutes.

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

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue and cash journals posted to unrelated accounts.

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

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

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGGP HOLDINGS LIMITED (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations (continued)

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

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

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

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

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LGGP HOLDINGS LIMITED (continued)

Matters on which we are required to report by exception (continued)

- 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

This report is made solely to the 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.

Jatin Patel

Jatin Patel (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 21 September 2023

LGGP HOLDINGS LIMITED

STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Revenue	2	**2,462,000**	3,056,000
Realised and unrealised (loss)/gain on disposal and revaluation of investments	7	**(6,728,384)**	26,135,952
Operating expenses	3	**(3,779,449)**	(3,047,711)
Operating (loss)/profit		**(8,045,833)**	26,144,241
Interest payable and similar charges		**(882,342)**	(2,257)
(Loss)/profit before tax		**(8,928,175)**	26,141,984
Income tax credit/(expense)	6	**1,718,599**	(994,618)
Total comprehensive (expense)/income for the financial year		**(7,209,576)**	25,147,366

All amounts relate to continuing operations. There were no other components of comprehensive income in the year and all items of income and expenditure are included in arriving at the loss for the year.

The notes on pages 15 to 31 are an integral part of these financial statements.

LGGP HOLDINGS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments at fair value through profit and loss	7	**88,216,017**	84,150,848
Current assets			
Trade and other receivables	8	**86,970**	122,825
Income tax		**723,981**	–
Cash and cash equivalents	18	**1,016,252**	1,434,921
Total assets		**90,043,220**	85,708,594
Trade and other payables	9	**1,038,458**	593,675
Income tax		–	994,618
Long term liabilities			
Carry scheme charge	10	**1,278,169**	–
Intercompany loans	10	**13,922,118**	3,106,301
Total liabilities		**16,238,745**	4,694,594
Net assets		**73,804,475**	81,014,000
Capital and reserves			
Share capital	11	**680,272**	680,221
Share premium		**64,830,141**	64,830,141
Retained earnings	12	**8,294,062**	15,503,638
Total equity		**73,804,475**	81,014,000

The financial statements on pages 11 to 31 were approved by the Board of Directors and authorised for issue on 21 September 2023.

Company number: 09693953

Signed on behalf of the Board by:

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Christopher Hopkins
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Christopher J.P. Hopkins
Director

The notes on pages 15 to 31 are an integral part of these financial statements.

LGGP HOLDINGS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium	Retained earnings	Total equity
	£	£	£	£
At 1 January 2021	680,242	64,830,141	(9,643,728)	**55,866,655**
Total comprehensive income	–	–	25,147,366	**25,147,366**
Disposal of own shares	(21)	–	–	**(21)**
At 31 December 2021	680,221	64,830,141	15,503,638	**81,014,000**
Total comprehensive income	–	–	(7,209,576)	**(7,209,576)**
Issue of share capital	73	–	–	**73**
Disposal of own shares	(22)	–	–	**(22)**
At 31 December 2022	**680,272**	**64,830,141**	**8,294,062**	**73,804,475**

The notes on pages 15 to 31 are an integral part of these financial statements.

LGGP HOLDINGS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

Continuing operations	Note	2022 £	2021 £
Cash flow from operating activities			
Operating (loss)/profit from continuing operations		**(8,045,833)**	26,144,241
Adjustments for:			
Unrealised increase/(decrease) in carrying value of investments	7	**6,728,384**	(26,135,952)
Decrease in trade and other receivables	8	**35,854**	22,544
Increase in trade and other payables	9	**444,783**	237,525
Carry scheme charge	10	**1,278,169**	–
Cash (used in)/generated from operating activities		**441,357**	268,358
Interest payable and similar charges		**(882,342)**	(2,257)
Net cash (used in)/generated from operating activities		**(440,985)**	266,101
Investing activities			
Purchases of investments	7	**(18,816,447)**	(4,416,274)
Sale of investments	7	**8,022,895**	406,669
Net cash used in investing activities		**(10,793,552)**	(4,009,605)
Financing activities			
Issue/(disposal) of shares	11	**51**	(21)
Intercompany loan	10	**10,815,817**	3,106,301
Net cash generated from financing activities		**10,815,868**	3,106,280
Net decrease in cash and cash equivalents		**(418,669)**	(637,224)
Cash and cash equivalents at the beginning of the year		**1,434,921**	2,072,145
Cash and cash equivalents at the end of the year	18	**1,016,252**	1,434,921

The notes on pages 15 to 31 are an integral part of these financial statements.

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Principal accounting policies

1.1 Nature of operations

The principal activity of the Company is to discover, support and accelerate the growth of digital technology businesses.

The Company is a private company limited by shares, incorporated and domiciled in England, in the United Kingdom. Its registered address is One, Coleman Street, London, England, EC2R 5AA.

1.2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with UK-adopted international accounting standards ("Adopted IFRSs").

The financial statements have been prepared under the historical cost convention and prepared in accordance with the accounting policies detailed below. These financial statements are presented in Pounds Sterling (£) which is also the functional currency of the Company.

These financial statements have been approved for issue by the Board of Directors.

1.3 Going concern

The Company raised up to £70 million on 30 November 2016, as well as gaining a commitment from the British Business Bank to invest up to £50 million in an ECF fund. Based on the commitments made, committed expenditure and investments, the Directors have considered the impact of severe but plausible downside assumptions, including the impact of COVID-19 and the war in Ukraine and have determined the Company has sufficient financial resources to meeting obligations as they fall due for a period of at least 12 months from the approval of these financial statements.

On this basis, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

1.4 Sources of estimation and key judgements

The preparation of the financial statements requires the Company to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent liabilities and assets. The Directors base their estimates on historic experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from one source. No key judgements have been made in applying accounting policy.

Due to the Company's early stage and lack of visibility of future profitability it has not recognised a deferred tax asset in respect of its tax losses.

There is also estimation uncertainty relating to investment valuation in relation to assessing the fair value of the Company's investments.

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Principal accounting policies (continued)

1.5 New standards, interpretations and amendments to published standards that have been adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2022.

Annual Improvements to IFRS Standards 2018-2020
These amendments, issued in May 2020, make minor amendments to IFRS 1 'First-time Adoption of IFRS', IFRS 9 'Financial instruments', IAS 41 'Agriculture' and the Illustrative Examples accompanying IFRS 16 'Leases'.

Amendments to IAS 16 – Property, plant and equipment
These amendments, issued in May 2020, prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

Amendments to IAS 37 – Provisions, contingent liabilities and contingent assets
These amendments, issued in May 2020, specify which costs a company includes when assessing whether a contract will be loss-making.

Amendments to IFRS 3 – Business Combinations
These amendments, issued in May 2020, update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

1.6 Standards, interpretations and amendments to published standards which are not yet effective

Certain standards, amendments and interpretations to existing standards have been published which are mandatory for the Company's accounting periods beginning on or after 1 January 2022 or later periods and which the Company has not adopted early, as disclosed below.

Amendments to IAS 1 – Presentation of Financial Statements and IFRS Practice Statement 2: 'Making Materiality Judgements: Disclosure of Accounting Policies'
These amendments, issued in February 2021, intend to help preparers in deciding which accounting policies to disclose in their financial statements, by applying materiality judgements. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The group is currently revisiting its accounting policy disclosures to ensure compliance and consistency with the new requirements.

Amendments to IAS 8 – Accounting policies, Changes in Accounting Estimates and Errors: 'Definition of Accounting Estimates'
These amendments, issued in February 2021, aim to help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The group does not expect the impact to be significant.

Amendments to IAS 12 – Income Tax: 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'
These amendments, issued in May 2021, clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The group does not expect the impact to be significant.

1 Principal accounting policies (continued)

1.6 Standards, interpretations and amendments to published standards which are not yet effective (continued)

Amendments to IAS 1 – Presentation of Financial Statements: 'Classification of Liabilities as Current or Non-Current'
These amendments, issued in January 2020, clarify the existing requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, subject to UK endorsement.

Amendments to IAS 1 – Presentation of Financial Statements: 'Non-current Liabilities with Covenants'
These amendments, issued in October 2022, clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, subject to UK endorsement.

Amendments to IFRS 16 – Leases: 'Lease Liability in a Sale and Leaseback'
These amendments, issued in September 2022, specify requirements for seller-lessees to measure the lease liability in a sale and leaseback transaction. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, subject to UK endorsement.

1.7 Revenue recognition

Revenue represents amounts receivable exclusive of value added tax. Revenue comprises fund management fees and fees for seconding members of staff to third parties in accordance with the terms and conditions of the respective agreements that are in place between the Company and third parties. Revenue is recognised on an accrual basis over the period the service is delivered.

1.8 Taxation

Current tax is based on the taxable profit/(loss) for the year. Taxable profit may differ from net profit as reported in the statement of profit and loss and comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Principal accounting policies (continued)

1.8 Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of profit and loss and comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and where they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

1.9 Accounting for subsidiaries

In accordance with IFRS 10, the Board has determined that the Company meets the definition of an investment entity which is exempted from the consolidation of investment entity subsidiaries. The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- The Company has obtained funds for the purpose of providing investment management services.
- The Company's business purpose is investing funds solely for returns from capital appreciation an investment income.
- The Company measures and evaluates all of its investments on a fair value basis.

The Company obtains funds from its parent company, and its business purpose is to invest funds solely for returns from capital appreciation and investment income.

As a result, under the terms of IFRS 10, to Company does not consolidate LGGP ECF 1 L.P and must measure its investment in the partnership at FVTPL. The Company has determined that the fair value of the LGGP ECF 1 L.P is the proportion of the partnership's net asset value attributable to the Company and has concluded that the partnership meets the definition of and unconsolidated subsidiary under IFRS 12.

Additionally, LGGP ECF 1 L.P has been deemed to meet the definition of an investment entity per IFRS 10 as the above-mentioned conditions are met.

LGGP Management is not consolidated and the Company has elected to make sure of the available exemption from preparing consolidate financial statements.

1.10 Investments

Investments comprise investments in unquoted equity instruments which are measured at fair value, in accordance with IFRS 9 the International Private Equity and Venture Capital ('IPEV') Valuation Guidelines, December 2018 edition, and 31 March 2020 special guidance. Changes in fair value are recognised in the profit and loss. Where relevant, the Company applies the policies stated below to the investments held, in order to determine the fair value.

Purchases and sales of investments are recognised on a trade date basis. Proceeds are measured at fair value, which is regarded as the proceeds of sale less any transaction costs.

Quoted: Quoted investments are held at fair value, which is deemed to be their bid price.

1 Principal accounting policies (continued)

1.10 Investments (continued)

Unquoted: Unquoted investments are also held at fair value and are valued using the following guidelines:

i. Initially, investments are valued at the price of recent investments less fees. Subsequently, investments are valued based on (ii) to (iii) below;

ii. Appropriate fair value movements are made against all individual valuations where necessary to reflect unsatisfactory performance against a previously agreed set of milestones. The milestones could be financial, technical or development led.

iii. Where more appropriate, and there is sufficient data available, investments can be valued based on other methodologies, including using their net assets or discounted cash flows, or on their earnings or revenue, or latest funding rounds.

The values assigned to the investments are based upon available information and do not necessarily represent amounts which might ultimately be realised. Due to the inherent uncertainty of the valuation, the estimated fair value may differ significantly from the values that would have been determined had the investments been liquidated and those differences could be material.

1.11 Investment Fair Value Hierarchy

For financial reporting purposes, fair value measurements are categorised into a fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 - the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - inputs other than quoted prices included within Level I that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 - inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability.

1.12 Investment Income

Dividend income from investments is recognised when the Company's right to receive payment has been established. Interest income from investments is accrued on a time basis as it arises, when there is a reasonable certainty of collection.

All realised disposal gains by the Company are taken through the profit and loss account. Interest income is recognised on an accruals basis.

1.13 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Principal accounting policies (continued)

1.14 Trade receivables

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are not entered into with the intention of immediate or short-term resale and are not classified as trading securities or designated as investment securities. Such assets are carried at amortised cost using the effective interest method. This calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. Gains and losses are recognised in the statement of profit and loss and comprehensive income when the receivables are derecognised or impaired, as well as through the amortisation process.

1.15 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and are free from contractual encumbrances and readily convertible to known amounts of cash.

1.16 Financial instruments

Financial assets

Financial assets in the scope of IFRS 9 are classified as either financial assets at fair value through profit or loss, loans and receivables, or available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets upon initial recognition.

Measurement of financial instruments initial recognition

When financial instruments are recognised initially, they are measured at fair value, adjusted, in the case of instruments not at fair value through profit or loss, for directly attributable fees and costs.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, then:

- if the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e., a Level 1 input) or based on a valuation technique that uses only data from observable markets, the Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss;

- in all other cases, the initial measurement of the financial instrument is adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only when the inputs become observable, or when the instrument is derecognized.

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Principal accounting policies (continued)

1.16 Financial instruments (continued)

Derecognition of financial assets and liabilities

Financial assets

A financial asset is derecognised where:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset, or retained the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; and
- the Company either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Company's continuing involvement is the amount of the transferred asset that the Company may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Company's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement profit and loss and comprehensive income.

1.18 Equity

Share capital is determined using the nominal value of shares that have been issued. The difference between nominal value and the value at which shares were issued has been credited to the share premium account, net of allowable issue costs.

Allowable issue costs are offset against share premium.

Retained earnings includes all current year results as disclosed in the statement of profit and loss and comprehensive income.

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Revenue

	2022	2021
	£	£
Revenue from provision of management services (all UK)	**2,462,000**	3,056,000

3 Operating expenses and auditor's remuneration

	2022	2021
	£	£
Staff costs	**683,331**	966,240
Outsourced management support	**1,440,000**	1,445,250
Travel and accommodation	**16,433**	16,170
Professional fees	**33,563**	357,630
Other expenses	**79,844**	262,421
Intercompany staff recharge costs	**232,108**	–
Carry scheme charge	**1,278,169**	–
Realised loss on investment	**16,001**	–
Total operating expenses	**3,779,449**	3,047,711

	2022	2021
	£	£
Audit of these financial statements	**30,000**	22,000

4 Employee benefit expense

The average number of persons employed during the year were as follows:

	2022	2021
	Number	Number
Management and administration	**4**	7

The aggregate payroll costs of the above were:

	2022	2021
	£	£
Wages and salaries	**592,877**	865,221
Social security costs	**79,219**	82,752
Pension costs	**11,235**	18,267
Total remuneration	**683,331**	966,240

5 Directors and key management personnel compensation

Key management of the Company are the executive members of LGGP Holdings Limited's Leadership Team which comprise Directors and other members of the executive management team. Key management personnel remuneration includes the following expenses:

The aggregate payroll costs of key management personnel paid directly by the Company were:

	2022	2021
	£	£
Salaries including bonuses	**200,000**	138,738
Social security costs	**27,860**	23,308
Pension costs	**4,500**	4,100
Total remuneration	**232,360**	166,146

The aggregate payroll costs of key management personnel paid by the parent company, Legal & General Capital Investments Limited, were:

	2022	2021
	£	£
Salaries including bonuses	**292,012**	262,792
Social security costs	**37,564**	34,292
Pension costs	**5,252**	–
Total remuneration	**334,828**	297,084

The total remuneration of the highest paid Director was £443,239 (2021: £166,146).

6 Income taxes

The tax expense for the Company comprises:

	2022	2021
	£	£
Current tax:		
Group relief payable	**(451,596)**	994,618
Adjustments in respect of prior periods	**(1,267,003)**	–
Total current tax charge	**(1,718,599)**	994,618
Deferred tax:		
Origination and reversal of timing differences	–	–
Tax on profit on ordinary activities	**(1,718,599)**	994,618

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Income taxes (continued)

Provision for deferred tax		
Movement in provision:		
Provision at start of the period	–	–
Deferred tax charged in the Profit and loss account for the period	–	–
Provision at end of the period	**–**	**–**

	2022	2021
	£	£
(Loss)/profit before tax	**(8,928,175)**	26,141,984
(Loss)/profit before tax multiplied by UK weighted average rate of tax of 19% (2021: 19%)	**(1,696,353)**	4,966,977
Effects of:		
Adjustments in respect of prior years	**(1,267,003)**	–
Expenses not deductible for tax purposes	**1,521,103**	32,331
Income not taxable for tax purposes	**(3,800)**	(4,965,831)
Amounts (charged)/credited directly to STRGL or otherwise transferred	**(279,791)**	(329,660)
Chargeable gains/(losses)	**7,866**	1,709,161
Timing differences not recognised in the computation	**(440,278)**	271,732
Remeasurement of deferred tax for changes in tax rates	**(138,839)**	(419,153)
Movement in deferred tax not recognised	**578,496**	(270,939)
Income tax expense	**(1,718,599)**	994,618

Tax rate changes

As per Finance Act 2021 the main rate of corporation tax has increased from 19% to 25% from 1 April 2023.The Company has an unrecognised deferred tax asset of £2,325,068 comprising losses and other deductions of £2,325,010 and short term timing differences of £58. These balances have been calculated using the 25% corporation deferred tax rate. However, deferred tax has not been recognised on this due to uncertainty over the recoverability of this asset. There is no expiry on the Company's carried forward trading losses.

LGGP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Investments at fair value through profit and loss

	At 1 January 2022	Additions/ conversions	Net change in fair value of investments	Disposals	At 31 December 2022
	£	£	£	£	£
Unquoted investments					
Ordinary shares	2,106,443	14,141,452	2,194,459	–	18,442,354
Convertible loan notes	–	1,172,265	155,169	–	1,327,434
Partnership Loans	10,000	–	–	–	10,000
Capital contribution and loans to LGGP ECF 1 LP	37,043,665	722,159	(4,744,229)	(6,757,932)	26,263,663
Other Partnership loans	44,990,740	2,780,571	(4,333,783)	(1,264,963)	42,172,565
	84,150,848	**18,816,447**	**(6,728,384)**	**(8,022,895)**	**88,216,017**

	At 1 January 2021	Additions/ conversions	Net change in fair value of investments	Disposals	At 31 December 2021
	£	£	£	£	£
Unquoted investments					
Ordinary shares	3,334,750	2,106,480	(3,334,787)	–	2,106,443
Convertible loan notes	2,500,000	100,000	(2,600,000)	–	–
Partnership Loans	10,000	–	–	–	10,000
Capital contribution and loans to LGGP ECF 1 LP	36,824,752	849,599	(630,686)	–	37,043,665
Other Partnership loans	11,335,789	1,360,195	32,701,425	(406,669)	44,990,740
	54,005,291	**4,416,274**	**26,135,952**	**(406,669)**	**84,150,848**

Loans to partnerships are classified as investments as in substance they have features similar to investments while their legal form is that of a loan.

	2022	2021
	£	£
Level 3	**88,216,017**	84,150,848
Total	**88,216,017**	84,150,848

8 Trade and other receivables

	2022 £	2021 £
Trade debtors	**322**	104,183
Other debtors	**69,965**	–
Prepayments and accrued income	**16,683**	18,642
Total trade and other receivables	**86,970**	122,825

The carrying values are considered to be a reasonable approximation of fair value. The effect of discounting trade and other receivables has been assessed and is deemed to be immaterial to the results. Amounts owed by related parties are repayable on demand and non-interest bearing.

All trade and other receivables have been reviewed for indicators of impairment and none were found to be impaired.

9 Trade and other payables

	2022 £	2021 £
Trade creditors	**29,058**	3,031
Amounts owed to group undertakings	**738,571**	254,897
Other creditors	**33,321**	57,584
Accruals	**237,508**	278,163
Total trade and other payables	**1,038,458**	593,675

All amounts are short-term. The Directors consider the carrying amount of trade payables approximates to their fair value.

10 Long term liabilities

	2022 £	2021 £
Intercompany loans	**13,922,118**	3,106,301
Carry scheme charge	**1,278,169**	–
Total long term liabilities	**15,200,287**	3,106,301

11 Share capital

	2022	2021
	£	£
Issued share capital:		
68,009,631 (2021: 55,253,686) - A Ordinary Shares	**680,096**	552,537
Nil (2021: 12,750,000) - A1 Ordinary Shares	–	127,500
7,350 (2021: Nil) - B Shares	**74**	–
Nil (2021: 1,600) - B1 Ordinary Shares	–	16
Nil (2021: 4,525) - B2 Ordinary Shares	–	46
Nil (2021: 6,125) - C1 Ordinary Shares	–	61
Nil (2021: 6,125) - C2 Ordinary Shares	–	61
10,170 (2021: Nil) Deferred shares	**102**	–
Total	**680,272**	**680,221**

The share capital of the Company is divided into A Ordinary Shares, B Ordinary Shares and Deferred Shares, all with a nominal value of £0.01 per share. A Ordinary Shares benefit from preferential rights to dividends and returns of capital. The rights of B Ordinary Shares to receive dividends and returns of capital are dependent on the level of return generated by the Company, in accordance with its articles of association. The Deferred Shares do not carry a right to receive dividends and have the right to receive returns of capital up to their nominal value of £0.01, after distribution of the first £100 billion of assets by the Company to the holders of A Ordinary Shares and B Ordinary Shares.

A Ordinary Shares carry full voting rights. B Ordinary Shares and Deferred Shares carry no voting rights and have no entitlement to receive notice of or attend any general or other meeting of the Company or receive copies of written resolutions of the Company.

Share premium constitutes the amount paid per A Share subscribed for above their nominal value less associated fund-raising expenditure.

On 11 January 2022, the Company cancelled 180 B2 Ordinary shares of £0.01 each, 200 C1 Ordinary shares of £0.01 each and 200 C2 Ordinary shares of £0.01 each.

On 8 March 2022, the Company cancelled 360 C1 Ordinary shares of £0.01 each and 360 C2 Ordinary shares of £0.01 each.

On 14 March 2022, the Company cancelled 480 C1 Ordinary shares of £0.01 each and 480 C2 Ordinary shares of £0.01 each.

On 6 June 2022, the Company issued 7,350 B Ordinary shares of £0.01 each for a total consideration of £73.

On 6 June 2022, the Company designated 12,750,000 A1 Ordinary shares of £0.01 each, 1,600 B1 Ordinary shares of £0.01 each and 4,345 B2 Ordinary shares of £0.01 each to A Ordinary shares of £0.01 each. On the same date the Company also designated 5,085 C1 Ordinary shares of £0.01 each and 5,085 C2 Ordinary shares of £0.01 each to Deferred shares of £0.01 each.

12 Retained earnings

	2022	2021
	£	£
At 1 January	**15,503,638**	(9,643,728)
(Loss)/profit for the year	**(7,209,576)**	25,147,366
At 31 December	**8,294,062**	15,503,638

This reserve encompasses all net gains and losses made by the Company.

13 Financial instruments

The Company uses financial instruments comprising cash and short-term deposits and various items such as trade receivables and trade payables that arise directly from its operations.

Credit risk

In the normal course of its business, the Company incurs credit risk from cash and trade receivables. The Directors consider third party credit risk to be very low.

Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Company meets its day to day working capital requirements through free cash flow. The Company has sufficient cash resources available to manage its liquidity risk.

Financial assets and liabilities

The IFRS 9 categories of financial assets and liabilities included in the statement of financial position are as follows:

	2022	2021
	£	£
Financial assets		
Trade and other receivables (note 8)	**70,287**	104,183
Cash and cash equivalents	**1,016,252**	1,434,921
	1,086,539	1,539,104
Financial liabilities		
Trade and other payables (note 9)	**1,038,458**	593,675
Long term liabilities (note 10)	**13,922,118**	3,106,301
	14,960,576	3,699,976

14 Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to provide returns to shareholders, and to reduce the cost of capital.

The Company can draw down capital from its shareholders on a quarterly basis and will base its drawdowns on financial forecasts and investment pipelines to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

LGGP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Related parties

Identity of related parties

Related party is a person or entity that is related to the entity that is preparing its financial statements. Related parties comprise shareholders, the Board of Directors and key management personnel of the Company and their related concerns. The Company in the ordinary course of business enters into transactions at arm's length agreed terms and conditions, with other business enterprises or individuals that fall within the definition of related party contained in IAS 24.

The Company has a related party relationship with the shareholders, other group companies and Board of Directors.

Board of Directors

Key management personnel are those having authority and responsibilities directly and indirectly, to control the activities of the entity and for the Company these are considered to be the Board of Directors.

Related party balances

At the year end, the Company had the following balances with its related parties:

	2022	2021
	£	£
Due from related parties		
Loan receivable from LGGP ECF 1 LP	**35,574,247**	41,610,020

The gross value of the receivable is £35,574,247. The fair value of the receivable can be viewed in note 7. The loan to LGGP ECF 1 LP is interest free.

LGGP HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

15 Related parties (continued)

Due to related parties

	2022	2021
	£	£
LGGP Management Limited	**(738,571)**	(254,897)
Legal and General Capital Investments Limited	**(13,922,119)**	(3,106,301)

Transactions with related parties

During the year, the Company had the following transactions with related parties

Revenue

	2022	2021
	£	£
Management fees from LGGP ECF 1 LP	**1,445,000**	1,700,000
Revenue from LGGP Management Limited in respect of seconded staff	**1,017,000**	1,356,000

Expenses

	2022	2021
	£	£
Fund management services from LGGP Management Limited	**1,440,000**	1,440,000

16 Commitments and contingencies

Operating lease commitments

The Company is not committed to any lease agreements.

Contingencies

The Company has no contingent liabilities.

17 Ultimate parent company and controlling party

In the opinion of the Directors, the immediate parent company is Legal & General Capital Investments Limited. Legal & General Group Plc is the ultimate parent company of the Company. These financial statements, therefore, provide information about the Company as an individual undertaking. Copies of the financial statements of the ultimate parent company, Legal & General Group Plc, are available on the Group website, www.legalandgeneralgroup.com or from the Company Secretary at the Registered Office, One, Coleman Street, London, England, EC2R 5AA.

18 Notes supporting statement of cash flows

Cash and cash equivalents for the purpose of the cash flow comprises of:

	2022	2021
	£	£
Cash available on demand	**1,016,252**	1,434,921
Total cash and cash equivalents	**1,016,252**	1,434,921

There were no significant non-cash transactions in the year.

19 Subsequent events

The UK arm of Silicon Valley Bank (SVB UK) recently rebranded as HSBC Innovation Bank is the banking provider for LGGP Holdings Limited. On 10 March 2023, the Bank of England announced it was placing SVB UK into insolvency. This presented a risk to the capital that LGGP Holdings Limited held with SVB UK. On 13 March HSBC announced that it was purchasing SVB UK, and guaranteed that all deposits would be protected. As a result, LGGP Holdings Limited has not been adversely impacted by this event and it does not pose a risk to LGGP Holdings Limited continuing to be a going concern.

One of the Company's direct balance sheet investments has reduced in value by £14m since 31 December 2022.