

Columbia Lake Partners Manager LLP

Annual Financial Statements

For the year ended 31 December 2018

Registered No: OC391429

Registered in England

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Columbia Lake Partners Manager LLP

**Annual financial statements
for the year ended 31 December 2018**

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Members

Craig Netterfield
Columbia Lake Partners Growth Lending (Holdings Sub) Ltd

Registered office

13 Third Cross Road, Twickenham, TW2 5DY, United Kingdom

Registered number

OC391429

Columbia Lake Partners Manager LLP

Members' report For the year ended 31 December 2018

The Members submit their Annual Report and the audited financial statements of Columbia Lake Partners Manager LLP (the "LLP") for the year ended 31 December 2018. The Members confirm that the Annual Report and financial statements of the LLP comply with the current statutory requirements and the requirements of the LLP's governing document.

In preparing the Members' report the small liability partnership exemption has been applied.

The LLP is a limited liability partnership registered in England and Wales, registration number OC391429.

Principal activity

The principal activities of the LLP during the year were that of acting as an adviser and arranger. The LLP is authorised and regulated by the Financial Conduct Authority (the "FCA").

Review of activities and future developments

The Members are satisfied with the performance of the LLP during the year and anticipate a similar performance in the forthcoming year.

Designated Members

Craig Netterfield and Columbia Lake Partners Growth Lending (Holdings Sub) Limited were Designated Members of the LLP throughout the year.

Policy on Members' drawings and the subscription and repayment of capital

The Partnership Agreement allows Members to take drawings in advance of an accounting period end in anticipation of their profit share for such accounting period.

New Members shall contribute upon admission to the LLP such sum to the capital of the LLP as shall be determined by the Management Committee.

No Member can withdraw or receive back any part of their principal capital contributions account except for in specific circumstances as detailed in the LLP agreement and approved by the Management Committee. Members' principal capital is therefore classified as equity.

Provision of information to the auditors

All of the Members as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The Members are not aware of any relevant information of which the LLP's auditors are not aware of and ought to be aware of.



Craig Netterfield
Designated Member

23 April 2019

Columbia Lake Partners Manager LLP

Statement of Members' responsibilities

Members' responsibilities

The Members are responsible for preparing the Members report and the financial statements in accordance with applicable law and regulation.

The Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008* require the Members to prepare financial statements for each financial year. Under these regulations the Members have elected to prepare the Limited Liability Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations the Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and Limited Liability Partnership and of the profit or loss of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership will continue in business.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008*. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Columbia Lake Partners Manager LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLUMBIA LAKE PARTNERS MANAGER LLP

Opinion

We have audited the financial statements of Columbia Lake Partners Manager Limited Liability Partnership ("the Limited Liability Partnership") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Members' Interests and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 applied to limited liability partnerships by the Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008*.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Limited Liability Partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Columbia Lake Partners Manager LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLUMBIA LAKE PARTNERS MANAGER LLP (continued)

Other information

The Members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion:

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

Responsibilities of Members

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

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

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with the Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008*. Our audit work has been undertaken so that we might state to the Limited Liability Partnership's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Limited Liability Partnership's Members as a body, for our audit work, for this report, or for the opinions we have formed.

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

Columbia Lake Partners Manager LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLUMBIA LAKE PARTNERS MANAGER LLP (continued)

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BDO LLP

Leigh Treacy (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

23 APRIL 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Columbia Lake Partners Manager LLP

Statement of comprehensive income For the year ended 31 December 2018

Registered number: OC391429		Audited 2018 £	Audited 2017 £
	Note		
Turnover	4	1,398,857	1,441,682
Staff charges	6	(625,703)	(443,193)
Other operating expenses		(541,731)	(294,841)
Depreciation		(7,127)	(5,479)
Operating profit	5	<u>224,296</u>	<u>698,169</u>
Profit for the financial year before members' remuneration and profit shares		<u>224,296</u>	<u>698,169</u>
Members' remuneration charged as an expense		(214,500)	(214,500)
Profit for the financial year available for discretionary division among members		<u>9,796</u>	<u>483,669</u>
Total comprehensive income for the financial year		<u><u>9,796</u></u>	<u><u>483,669</u></u>

The notes on pages 11 - 16 form part of these financial statements.

Columbia Lake Partners Manager LLP

Statement of financial position at 31 December 2018

Registered number: OC391429			
	Note	Audited 2018 £	Audited 2017 £
Fixed assets			
Tangible assets	7	<u>18,784</u>	<u>21,872</u>
Current assets			
Debtors	8	42,832	44,817
Derivative assets	9	-	85,063
Cash at bank and in hand		<u>280,951</u>	<u>480,502</u>
		323,783	610,382
Creditors: amounts falling due within one year	10	(113,229)	(97,182)
Derivative liabilities	9	<u>(44,223)</u>	<u>-</u>
Current liabilities		(157,452)	(97,182)
Net current assets		166,331	513,200
Net assets attributable to members		<u>185,115</u>	<u>535,072</u>
Represented by:			
Loans and other debts due to members within one year			
Other amounts		134,615	484,572
Members' other interests			
Members' capital classified as equity		50,500	50,500
Total members' interests		<u>185,115</u>	<u>535,072</u>

The financial statements were approved and authorised for issue by the members of the Limited Liability Partnership on 23 April 2019.

Signed on behalf of the Members


 Craig Netterfield
 Designated member

The notes on pages 11 - 16 form part of these financial statements.

Columbia Lake Partners Manager LLP

Statement of cash flows For the year ended 31 December 2018

Registered number: OC391429		Audited 2018 £	Audited 2017 £
	Note		
Cash flows from operating activities			
Profit for the financial year available for discretionary division among members		9,796	483,669
Adjustments for:			
Members' remuneration charged as an expense	6	214,500	214,500
Depreciation of tangible assets	7	7,127	5,479
Decrease / (increase) in debtors	8	87,048	(65,518)
Increase / (decrease) in creditors	10	60,270	(6,126)
Net cash generated from operating activities		378,741	632,004
Members' remuneration paid		(214,500)	(214,500)
Net cash generated from operating activities		164,241	417,504
Cash Flows from investing activities			
Purchases of tangible assets	7	(4,039)	(14,280)
Net cash used in investing activities		(4,039)	(14,280)
Cash flows from financing activities			
Distributions to members		(359,753)	-
Net cash utilised by financing activities		(359,753)	-
Net (decrease) / increase in cash and cash equivalents		(199,551)	403,224
Cash and cash equivalents at the beginning of the year		480,502	77,278
Cash and cash equivalents at the end of the year		280,951	480,502

The notes on pages 11 - 16 form part of these financial statements.

Columbia Lake Partners Manager LLP

Statement of changes in members' interests For the year ended 31 December 2018

Registered number: OC391429

	Equity		Debt		
	Members' other interests		Loans and other debts due to Members less and amounts due from Members in debtors		
	Members' Capital (classified as equity)	Total	Other Amounts	Total	Total Members' interests
Amounts due to Members	50,500	50,500	903	903	51,403
Amounts due from Members	-	-	-	-	-
Balance at 1 January 2017	50,500	50,500	903	903	51,403
Members' remuneration charged as an expense	-	-	214,500	214,500	214,500
Drawings	-	-	(214,500)	(214,500)	(214,500)
Profit for the financial year available for discretionary division among Members	-	-	483,669	483,669	483,669
Balance at 31 December 2017	50,500	50,500	484,572	484,572	535,072
Members' remuneration charged as an expense	-	-	214,500	214,500	214,500
Drawings	-	-	(214,500)	(214,500)	(214,500)
Profit for the financial year available for discretionary division among Members	-	-	9,796	9,796	9,796
Amounts distributed to Members	-	-	(359,753)	(359,753)	(359,753)
Balance at 31 December 2018	50,500	50,500	134,615	134,615	185,115
Amounts due to Members			134,615	134,615	
Amounts due (from) Members			-	-	
			134,615	134,615	

The notes on pages 11 - 16 form part of these financial statements.

Columbia Lake Partners Manager LLP

Notes forming part of the financial statements for the year ended 31 December 2018

1 ENTITY INFORMATION

Columbia Lake Partners Manager, LLP is a Limited Liability Partnership registered in England and Wales. Registered number: OC391429. Registered office: 13 Third Cross Road, Twickenham, London, TW2 5DY. Principal place of business: Unit V404, Vox Studios, 1-45 Durham Street, London, SE11 5JH.

The Partnership's principal business activity is providing investment advice primarily, focused on growth lending opportunities, to growth lending funds.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice ('SORP'), Accounting by Limited Liability Partnerships, issued in January 2017. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

2.1 Going concern

After reviewing the partnership's forecast and projections, the Members have a reasonable expectation the LLP has adequate resources to continue in operational existence for the foreseeable future. The LLP therefore continues to adopt the going concern basis in preparing its financial statements.

3 PRINCIPAL ACCOUNTING POLICIES

3.1 Tangible assets

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives, using the straight line method. The rates applicable are:

- Computer and electronic equipment – 3 years
- Furniture and equipment – 5 years

3.2 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

3.3 Debtors

Short term debtors are measured at transaction price, less any impairment.

Columbia Lake Partners Manager LLP

Notes forming part of the financial statements for the year ended 31 December 2018

3.4 Creditors

Short term trade creditors are measured at the transaction price.

3.5 Financial derivatives

Financial derivatives are measured initially at fair value and subsequently re-measured to their fair value at each reporting date. Fair values are obtained from quoted prices prevailing in active markets, including recent market transactions. All derivatives are included as assets when their fair value is positive and liabilities when their fair value is negative.

3.6 Leases

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

3.7 Members' drawings and the subscription of Members' capital

In accordance with the LLP agreement, any profit is treated as allocated. Profits realised in the profit and loss account are treated as Members' remuneration charged as an expense by reference to pre-determined profit sharing mechanisms.

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

The capital requirements of the partnership are determined by the Management Committee and are reviewed regularly. Each Member is required to subscribe to a proportion of this capital. Unless otherwise determined by the Management Committee the capital subscribed by each member will be in proportion to the amount of outstanding capital contributed by each member as at the date of the relevant decision. No interest is paid on capital. On leaving the partnership, a Member's capital is repaid within a timescale set by the Management Committee. For so long as the LLP is authorised and regulated by the Financial Conduct Authority ('FCA') Members shall be allowed to withdraw capital to the extent that the remaining LLP capital balance after any capital is withdrawn remains in excess of the required regulatory capital balance.

3.8 Taxation

Tax to be paid on the profits arising in the LLP are a personal tax liability of the Members of the LLP and therefore are not included as a tax charge or provisions within these financial statements.

3.9 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover is generated in respect of investment advisory services rendered.

Columbia Lake Partners Manager LLP

Notes forming part of the financial statements for the year ended 31 December 2018

3.10 Foreign currency translation

In preparing the financial statements transactions in currencies other than the functional currency of the LLP are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

4 TURNOVER

Turnover, analysed geographically between markets was as follows:

	2018 £	2017 £
Rest of the world	<u>1,398,857</u>	<u>1,441,682</u>

5 OPERATING PROFIT

The operating profit is stated after:

	2018 £	2017 £
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	10,000	7,000
Other operating lease rentals	62,004	38,381
Foreign exchange gains	116,680	(65,890)

Columbia Lake Partners Manager LLP

Notes forming part of the financial statements
for the year ended 31 December 2018

6 MEMBERS AND EMPLOYEES

Staff costs during the year were as follows:

	2018 £	2017 £
Wages and salaries	550,619	393,864
Social security costs	75,084	49,329
	<u>625,703</u>	<u>443,193</u>

The average number of employees of the LLP during the year was:

	2018	2017
Sales and marketing	6	4
Administrative	1	1
	<u>7</u>	<u>5</u>

Information in relation to members:

	2018	2017
The average number of Members during the year was:		
Individual Member	1	1
Corporate Member	1	1
	<u>2</u>	<u>2</u>

	2018 £	2017 £
Paid under the terms of the LLP agreement	<u>214,500</u>	<u>214,500</u>
The amount of profit attributable to the Member with the largest entitlement was	<u>(52,197)</u>	<u>421,676</u>
The average profit attributable to Members was	<u>112,148</u>	<u>349,085</u>

Columbia Lake Partners Manager LLP

Notes forming part of the financial statements
for the year ended 31 December 2018

7 TANGIBLE ASSETS

	Computer equipment	Furniture and equipment	Total
Cost			
Balance at 1 January 2018	13,205	20,304	33,509
Additions	1,326	2,713	4,039
Balance at 31 December 2018	14,531	23,017	37,548
Depreciation			
Balance at 1 January 2018	8,159	3,478	11,637
Provided in the year	2,524	4,603	7,127
Balance at 31 December 2018	10,683	8,081	18,764
Net book amount at 31 December 2018	3,848	14,936	18,784
Net book amount at 31 December 2017	5,046	16,826	21,872

8 DEBTORS

	2018 £	2017 £
Trade debtors	4,417	1,538
Prepayments and other accrued income	38,415	43,279
	<u>42,832</u>	<u>44,817</u>

9 FORWARD CURRENCY CONTRACTS

The LLP holds forward currency contracts which involve an obligation to purchase a specific currency at a set price on a specific future date.

The fair value of the forward contracts at the balance sheet date is determined using the mark to market rate at which a forward contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on the open forward currency contracts is calculated as the difference between the contracted rate and the mark to market price, with the difference recognised in the statement of comprehensive income.

	2018 £	2017 £
Unrealised (loss) / gain on forward currency contracts due within one year	(44,223)	51,309
Unrealised gain on forward currency contracts due after one year and less than five years	-	33,754
	<u>(44,223)</u>	<u>85,063</u>

Columbia Lake Partners Manager LLP

Notes forming part of the financial statements
for the year ended 31 December 2018

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	38,213	19,504
Amounts owed to associated undertakings	970	167
Social security	55,610	51,956
Accruals	18,436	25,555
	<u>113,229</u>	<u>97,182</u>

11 COMMITMENTS UNDER OPERATING LEASES

The group had minimum lease payments under non-cancellable operating leases as set out below:

	2018 £	2017 £
Not later than one year	61,610	61,610
Due after one year and less than five years	<u>38,178</u>	<u>38,178</u>

12 RELATED PARTIES

Transactions with group companies

During the year the Company entered into the following transactions with fellow group companies:

	2018 £	2017 £
Management fees earned:	<u>1,398,857</u>	<u>1,441,682</u>
Amounts owed to related parties	<u>(970)</u>	<u>167</u>
Amounts owed by related parties	<u>4,417</u>	<u>1,538</u>

Management fees were paid by Columbia Lake Partners Manager Growth Lending I, L.P. Amounts owed to the partnership are owed by Columbia Lake Partners Manager Growth Lending I, L.P (£4,417). Amounts owed by the partnership are owed to Columbia Lake Partners Growth Lending (Holdings), LLC. (£970). These are fellow group entities.