

**Alchemy Venture Partners Limited**

**Directors' report and financial  
statements**

**Registered number 3274858  
For the Year Ended 30 June 2016**

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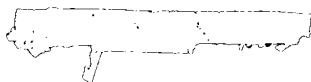
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**Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1LT**

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## Strategic report

### Principal activities and business review

The principal activity of the company is that of a services company.

The directors are satisfied with the results for the year, being in line with expectations. As planned, services provided to group companies continued during the year. These group companies continue to trade satisfactorily with services provided on an ongoing basis.

### Results and dividends

The profit for the year after taxation amounted to £227,886 (*30 June 2015: £254,155*).

The directors declared and paid total dividends of £475,000 during the year (*30 June 2015: £Nil*).

By order of the board



**John Rowland**  
*Director*

21 Palmer Street  
London  
SW1H 0AD  
21 September 2016

## **Directors' report**

### **Directors**

The directors of the company, who held office throughout the year, unless otherwise stated, were:

J.G Loughrey (Resigned 14 September 2015)  
J Rowland  
I Cash  
F Prakke

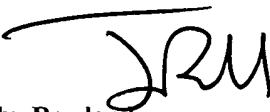
### **Auditor**

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

### **Disclosure of information to auditor**

The directors who held office at the date of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

By order of the board

  
**John Rowland**  
*Director*

21 Palmer Street  
London  
SW1H 0AD  
21 September 2016

***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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 period. 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;
- 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALCHEMY VENTURE PARTNERS LIMITED**

We have audited the financial statements of Alchemy Venture Partners Limited for the year ended 30 June 2016 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit 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.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 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

- 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.



**Jonathan Martin (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*  
15 Canada Square  
London, E14 5GL  
21 September 2016

**Statement of Income and Retained Earnings**  
*for the year ended 30 June 2016*

	<i>Note</i>	<b>Year to 30 June 2016 £</b>	<b>Year to 30 June 2015 £</b>
<b>Turnover</b>	<i>1</i>	<b>3,960,441</b>	<b>4,258,014</b>
Administrative expenses		<b>(3,667,075)</b>	<b>(3,942,605)</b>
<b>Operating profit</b>		<b>293,366</b>	<b>315,409</b>
Interest Income		<b>219</b>	<b>153</b>
<b>Profit on ordinary activities before taxation</b>	<i>2</i>	<b>293,585</b>	<b>315,562</b>
Tax on profit on ordinary activities	<i>4</i>	<b>(65,699)</b>	<b>(61,407)</b>
<b>Profit for the financial year</b>		<b>227,886</b>	<b>254,155</b>
Dividends paid		<b>(475,000)</b>	<b>-</b>
Retained earnings at start of year		<b>361,280</b>	<b>107,125</b>
<b>Retained earnings at end of year</b>		<b>114,166</b>	<b>361,280</b>

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical equivalents.

There were no other items of comprehensive income for the year and therefore the profit for the year is also the total comprehensive income for the year.

All of the results shown in the above profit and loss account are from continuing operations.

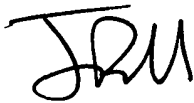
The notes on pages 8 to 12 form part of these financial statements.



**Balance sheet**  
*At 30 June 2016*

	<i>Note</i>	<b>30 June 2016</b>		<b>30 June 2015</b>	
		£	£	£	£
<b>Current assets</b>					
Debtors: amounts falling due within one year	5	1,026,273		1,780,242	
Cash at bank and in hand		351,844		1,138	
			1,378,117		1,781,380
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	6	(1,263,949)		(1,420,098)	
			(1,263,949)		(1,420,098)
<b>Net current assets</b>			114,168		361,282
<b>Total assets less current liabilities</b>			114,168		361,282
<b>Net assets</b>			114,168		361,282
<b>Capital and reserves</b>					
Called up share capital	7		2		2
Profit and loss account			114,166		361,280
<b>Shareholder's funds</b>	8		114,168		361,282

These financial statements were approved by the board of directors on 21 September 2016 and were signed on its behalf by:



**John Rowland**  
*Director*

The notes on pages 8 to 12 form part of these financial statements.

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

#### ***Accounting convention***

The accounts have been prepared under the historical cost convention and in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice). This is the first year the financial statements will be prepared in accordance with the small entities regime, Section 1A, under Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in September 2015.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement or recognition adjustments.

The accounts have been prepared on a going concern basis.

#### ***Turnover***

Turnover represents the amounts receivable for investment advisory and support services, excluding value added tax, provided to Alchemy Partners LLP and Alchemy Special Opportunities LLP. The investment advisory function is performed by investment professionals who are responsible for assisting with implementing the strategy for potential investments and for monitoring the performance of investments. The Support function provides back office services.

#### ***Current & Deferred taxation***

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

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Any deferred tax balance has not been discounted.

#### ***Pension contributions***

The company makes payments to a defined contribution pension scheme on behalf of certain of its employees. The amount charged against profits represents the contributions paid or payable in respect of the accounting period.

#### ***Foreign exchange***

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the Balance Sheet date.

#### ***Dividends***

Dividends are only recognised as a liability to the extent that they are declared prior to the year end.

#### ***Cashflow***

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of the small entities regime, Section 1A, Financial Reporting Standard 102.

## Notes (continued)

### Basic financial instruments

#### Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents.

## 2 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	Year to 30 June 2016 £	Year to 30 June 2015 £
Auditor's remuneration:		
Audit	16,300	16,300
Tax	6,750	6,750

## 3 Directors and other employees

Staff costs including directors are as follows:

	Year to 30 June 2016 £	Year to 30 June 2015 £
Wages and salaries	2,383,126	2,492,866
Social security costs	304,820	326,470
Other pension costs	102,649	110,228
	<u>2,790,595</u>	<u>2,929,564</u>

The average number of staff employed by the company during the year was 17 (2015: 16).

There were four directors in office during the year (2015: four). No directors received any payments for their services (2015: nil).

## Notes (continued)

### 4 Tax on profit on ordinary activities

#### Analysis of charge in period

	Year to 30 June 2016		Year to 30 June 2015	
	£	£	£	£
<i>UK corporation tax</i>				
Current tax on income for the period	60,654		64,782	
Adjustment in respect of prior periods	(310)		219	
Balancing payments received	-		(12,643)	
Total current tax		60,344		52,358
<i>Deferred tax</i>				
Origination of timing differences	5,355		9,049	
Total deferred tax		5,355		9,049
Tax on profit on ordinary activities		65,699		61,407

#### Factors affecting the tax charge for the current period

The current tax charge of 20% (2015: 20%) for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below.

	2016 £	2015 £
<i>Reconciliation of effective tax rate</i>		
Profit on ordinary activities before tax	293,585	315,562
Tax at 20% (2015: 20.75%)	58,717	65,481
<i>Effects of:</i>		
Expenses not deductible for tax purposes	7,292	7,427
Capital allowances for period in excess of depreciation	(4,297)	(5,348)
Other timing differences	(1,058)	(2,778)
Balancing payments received	-	(12,643)
Adjustment in respect of prior period	(310)	219
Origination of timing differences in respect of deferred tax	5,355	9,049
Total tax expense included in profit and loss	65,699	61,407

Reductions in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 16 March 2016, the Chancellor announced additional planned reductions to reduce the main rate of corporation tax to 17% from 1 April 2020 (superseding the 18% rate effective from that date introduced in Finance (No.2) Act 2015). This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30 June 2016 has been calculated using an effective tax rate of 19.75% based on a corporation tax rate of 20%, which was enacted at the balance sheet date; and 19% from 1 April 2017. The current UK corporate tax rate that has been used for the year is a rate of 20%.

## Notes (continued)

### 5 Debtors: Amounts falling due within one year

	30 June 2016	30 June 2015
	£	£
Trade debtors	14	74,586
Amounts due from Group undertakings	676,608	1,401,789
Other debtors	114,732	75,000
Deferred tax asset	24,455	29,810
Prepayments and accrued income	210,464	199,057
	<u>1,026,273</u>	<u>1,780,242</u>

Deferred tax asset is based on taxation treatment of fixed assets purchased by the company in previous years. All fixed assets were either written off or acquired by a group entity at net book value in the year ended 30 June 2012.

### 6 Creditors: Amounts falling due within one year

	30 June 2016	30 June 2015
	£	£
Trade creditors	46,649	39,774
Taxation and social security	83,724	74,335
Accruals and deferred income	1,133,576	1,305,989
	<u>1,263,949</u>	<u>1,420,098</u>

### 7 Called up share capital

	30 June 2016	30 June 2015
	£	£
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

### 8 Reconciliation of movements in shareholder's funds

	30 June 2016	30 June 2015
	£	£
Profit for the financial period	227,886	254,155
Dividend paid	(475,000)	-
	<u>(247,114)</u>	<u>254,155</u>
Net increase to shareholder's funds	361,282	107,127
Opening shareholder's funds	361,282	361,282
	<u>114,168</u>	<u>361,282</u>

### 9 Pensions

The company provides pension contributions to certain of its employees' individual personal pension schemes. Contributions are charged in the accounts as stated in note 1 and there were £2,015 (30 June 2015: £7,304) contributions outstanding at the balance sheet date. Pension costs charged in the period were £102,649 (2015: £102,649).

£110,228).

## **Notes** *(continued)*

### **10 Related party transactions**

As at 30 June 2016, the company was owed £505,325 (2015: £1,300,539) by Alchemy Special Opportunities LLP, £nil (2015: £1,486) by Alchemy Special Opportunities (GP) Limited, £12,482 (2015: 18,254) by Alchemy Special Opportunities Fund II L.P., £59,626 (2015: £68,461) by Alchemy Special Opportunities Fund III L.P and £99,173 (2015: £13,050) by Alchemy Partners LLP.

### **11 Ultimate parent undertaking**

Alchemy Partners L.P. Inc. acting by its general partner, Alchemy Partners GP Limited, is the ultimate controlling party.