

MMC Ventures Limited
Report And Financial Statements
31 December 2019

Rees Pollock
Chartered Accountants



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COMPANIES HOUSE

MMC Ventures Limited

COMPANY INFORMATION

Directors	B F Macfarlane A W Morgan S J Menashy
Registered number	03946009
Registered office	3rd Floor 24 High Holborn London WC1V 6AZ
Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	Bank of Scotland St. James's Gate 14-16 Cockspur Street London SW1Y 5BL Silicon Valley Bank 14-18 Finsbury Square London EC2A 1BR

DIRECTORS' REPORT

For the year ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Principal activity

The principal activities of the company are facilitating and managing venture capital investment in growth companies.

Pillar III disclosures

The company has documented the disclosures required by the FCA under BIPRU 11. These are available from the registered office.

Results and dividends

The profit for the year, after taxation, amounted to £204,544 (2018 - loss £165,882).

The directors have not recommended payment of a dividend for the year (2018 - £nil).

Directors

The directors who served during the year were:

B F Macfarlane

A W Morgan

S J Menashy (appointed 6 February 2019)

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT (CONTINUED)
For the year ended 31 December 2019

Engagement with suppliers, customers and others

Information on engagement with suppliers, customers and others are included in the Strategic Report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 24 April 2020 and signed on its behalf.

Bruce Macfarlane

B F Macfarlane
Director

STRATEGIC REPORT

For the year ended 31 December 2019

Introduction

MMC Ventures is a leading venture capital manager and one of the most active early stage investors in the UK. The company focuses its investments on technology-enabled businesses in sectors where the UK is a world leader and consequently has a deep pool of local talent and expertise available. These include consumer internet, business software and services, digital media and financial services.

Business review

MMC has circa £417m under management through a combination of retail investor funds, institutional limited partnerships and a syndicate of wealthy, experienced business angel investors, all of which co-invest on a deal by deal basis. The Company continues to win awards for excellence of its EIS offering, which takes the form of an always-open managed account service. MMC made 17 new investments in 2019 (5 in 2018) and also provided follow-on capital to existing portfolio companies for a total of £98m invested.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks, the most critical of which are competition, employee retention and inflow of new investor funds.

Financial key performance indicators

The company's directors are of the opinion that the KPIs most relevant to the business are the funds raised and invested. During the year £183m was raised in capital commitments from investors which met the target and exceeds prior years.

Other KPIs relevant to the business are:

- Average debtor days as at 31 December 2018 of 20.7 days (2018: 14.4 days)
- Current ratio as at 31 December 2018 of 3.7x (2018: 3.1x)

Future Outlook

The full impact and duration of the COVID-19 pandemic is unknown and the consequences are difficult to accurately forecast. The company has robust procedures in place and has invested in technology to support remote working for a prolonged period of time and minimise the impact on the business.

STRATEGIC REPORT (CONTINUED)
For the year ended 31 December 2019

Directors' statement of compliance with duty to promote the success of the Company

The Company operates a relatively flat operating structure, enabling employees to be closely involved with their function as well as the wider organisation. As part of this structure, procedures exist for employee communication, consultation, training and personal development.

Continued growth of the business culminated in an office move during 2019 to support future expansion. In making this decision the Directors considered the future impact on stakeholders including employees, investors and investee companies.

The Directors are committed that MMC continues to have a positive impact on the community and environment. This was demonstrated by the decision to launch the MMC Greater London Fund in May 2019 in partnership with the Mayor of London. The Fund will back companies that make a difference to London's economy and the lives of the people living here. That includes our city environment and infrastructure; digital health and care; important economic sectors like financial and business services; our world-leading cultural, creative and media sectors; and the connected home, office and workplace.

Part of the Fund has been set aside to invest in technologies that reduce harmful emissions and tonnage sent to landfill, including Circular Economy business models.

The Company engages regularly with its customers by way of monthly newsletters and quarterly investor reports as well as regular "At Homes" where investors can engage with investee companies

This report was approved by the board on 24 April 2020 and signed on its behalf.

Bruce Macfarlane

B F Macfarlane
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS, AS A BODY, OF MMC VENTURES LIMITED

Opinion

We have audited the financial statements of MMC Ventures Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of income and retained earnings, the Balance sheet, the Statement of cash flows and the related notes, 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 Company's affairs as at 31 December 2019 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS, AS A BODY, OF MMC VENTURES LIMITED
(CONTINUED)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors 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 directors 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 directors are responsible for 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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 Auditors' 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.

Peter Scott (Senior statutory auditor)
for and on behalf of
Rees Pollock
Chartered Accountants
Statutory Auditor
35 New Bridge Street, London, EC4V 6BW

27 April 2020

STATEMENT OF INCOME AND RETAINED EARNINGS
For the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover	3	6,677,816	3,736,361
Gross profit		6,677,816	3,736,361
Administrative expenses		(6,440,637)	(3,851,391)
Operating profit/(loss)	4	237,179	(115,030)
Interest receivable and similar income		3,541	-
Profit/(loss) before tax		240,720	(115,030)
Tax on profit/(loss)	7	(36,176)	(50,852)
Profit/(loss) after tax		204,544	(165,882)
Retained earnings at the beginning of the year		703,231	869,113
Profit/(loss) for the year		204,544	(165,882)
Retained earnings at the end of the year		907,775	703,231

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of income and retained earnings.

The notes on pages 10 to 18 form part of these financial statements.

BALANCE SHEET
As at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets		258,280	46,300
Investments		21,854	21,419
		<u>280,134</u>	<u>67,719</u>
Current assets			
Debtors: amounts falling due after more than one year	10	391,787	-
Debtors: amounts falling due within one year	10	762,304	771,582
Cash at bank and in hand		1,721,386	1,514,315
		<u>2,875,477</u>	<u>2,285,897</u>
Creditors: amounts falling due within one year	11	(1,394,611)	(825,385)
Net current assets		<u>1,480,866</u>	<u>1,460,512</u>
Total assets less current liabilities		<u>1,761,000</u>	<u>1,528,231</u>
Provisions for liabilities			
Deferred tax	12	(28,225)	-
		<u>(28,225)</u>	<u>-</u>
Net assets		<u>1,732,775</u>	<u>1,528,231</u>
Capital and reserves			
Called up share capital	13	825,000	825,000
Profit and loss account		907,775	703,231
		<u>1,732,775</u>	<u>1,528,231</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 April 2020.

Bruce Macfarlane

B F Macfarlane
Director

The notes on pages 10 to 18 form part of these financial statements.

STATEMENT OF CASH FLOWS
For the year ended 31 December 2019

	2019 £	2018 £
Cash flows from operating activities		
Profit/(loss) for the financial year	204,544	(165,882)
Adjustments for:		
Depreciation of tangible assets	38,563	25,103
Loss on disposal of tangible assets	8,674	-
Interest receivable	(3,541)	-
Taxation charge	36,176	50,852
(Increase)/decrease in debtors	(394,044)	34,456
Increase/(decrease) in creditors	569,226	(15,463)
Corporation tax received/(paid)	3,584	(136,272)
Net cash generated from operating activities	<u>463,182</u>	<u>(207,206)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(259,217)	(16,761)
Purchase of unlisted and other investments	(435)	-
Interest received	3,541	-
Net cash from investing activities	<u>(256,111)</u>	<u>(16,761)</u>
Net increase/(decrease) in cash and cash equivalents	<u>207,071</u>	<u>(223,967)</u>
Cash and cash equivalents at beginning of year	1,514,315	1,738,282
Cash and cash equivalents at the end of year	<u><u>1,721,386</u></u>	<u><u>1,514,315</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,721,386	1,514,315
	<u><u>1,721,386</u></u>	<u><u>1,514,315</u></u>

The notes on pages 10 to 18 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

1. General information

MMC Ventures Limited is a private limited company incorporated in England and Wales. The company's address is 3rd Floor, 24 High Holborn, London, WC1V 6AZ.

The principal activity of the company during the year was that of facilitating and managing venture capital investment in growth companies.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Management do not consider there are any key accounting estimates or assumptions made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Management are also required to exercise judgment in applying the company's accounting policies. Due to the straightforward nature of the business, management consider that no critical judgments have been made in applying the company's accounting policies.

2.2 Going concern

After making enquiries and considering the impact of COVID-19, the directors have a reasonable expectation that the company has adequate resources to continue in operation existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and such revenue can be reliably measured. Revenue is recognised as services are provided and includes management fees, transaction fees, performance fees and monitoring fees.

The Company is entitled to earn performance fees from a number of clients where the actual performance of the clients' assets exceeds defined benchmarks by an agreed level of outperformance. Performance fees are recognised when the quantum of the fee can be reliably estimated and it is probable that the fee will be received.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	25% straight line
Fixtures & fittings	-	20% straight line
Computer equipment	-	25% straight line

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.8 Financial instruments

The company's policy for accounting for investments is disclosed elsewhere.

The company does not trade in other financial instruments and all such instruments arise directly from operations.

All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The company does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment.

The company's cash holdings comprise on demand balances. All cash is held with banks with strong external credit ratings.

Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished.

As the company only has short term receivables and payables, its net current asset position is a reasonable measure of its liquidity at any given time.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.11 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.12 Related parties

The company is exempt under section 33 of FRS 102 from disclosing transactions or balances between wholly owned group entities.

3. Turnover

The whole of the turnover is attributable to the company's principal activities.

All turnover arose within the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019
4. Operating profit/(loss)

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

	2019 £	2018 £
Depreciation of tangible fixed assets	38,563	25,103
Fees payable to the Company's auditor and its associates for the audit of the Company's financial statements	12,100	11,650
Auditors' remuneration - non audit	25,187	16,000
Exchange differences	(2,942)	(485)
Operating lease rentals	161,205	68,698
	<u>161,205</u>	<u>68,698</u>

5. Employees

Staff costs, including directors' remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	4,167,223	2,375,781
Social security costs	558,718	264,299
Cost of defined contribution scheme	86,342	51,169
	<u>4,812,283</u>	<u>2,691,249</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Office and management	21	20
	<u>21</u>	<u>20</u>

6. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	1,524,145	574,009
Company contributions to defined contribution pension schemes	-	1,389
	<u>1,524,145</u>	<u>575,398</u>

During the year retirement benefits were accruing to no directors (2018 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £658,839 (2018 - £343,106).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019
7. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	-	61,074
Adjustments in respect of previous periods	(3,584)	-
Deferred tax		
Deferred tax	39,760	(10,222)
Taxation on (loss)/profit on ordinary activities	<u>36,176</u>	<u>50,852</u>

Factors affecting the tax charge for the year:

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit/(loss) on ordinary activities before tax	<u>240,720</u>	<u>(115,030)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	45,737	(17,688)
Effects of:		
Movement in unrecognised tax losses	(8,024)	-
Expenses not deductible for tax purposes	20,347	7,466
Group (relief)/charge	(21,884)	61,074
Total tax charge for the year	<u>36,176</u>	<u>50,852</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019
8. Tangible fixed assets

	Leasehold improvements £	Fixtures & fittings £	Computer equipment £	Total £
Cost				
At 1 January 2019	-	120,140	66,966	187,106
Additions	177,658	69,610	11,949	259,217
Disposals	-	(48,782)	(5,278)	(54,060)
At 31 December 2019	177,658	140,968	73,637	392,263
Depreciation				
At 1 January 2019	-	97,791	43,015	140,806
Charge for the year on owned assets	9,789	17,361	11,413	38,563
Disposals	-	(41,065)	(4,321)	(45,386)
At 31 December 2019	9,789	74,087	50,107	133,983
Net book value				
At 31 December 2019	167,869	66,881	23,530	258,280
At 31 December 2018	-	22,349	23,951	46,300

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

9. Fixed asset investments

	Investments in subsidiary companies	Unlisted investments	Total	2018
	£	£	£	£
At 1 January 2019	4	21,415	21,419	21,419
Additions	5	430	435	-
At 31 December 2019	9	21,845	21,854	21,419

The Company holds 100% of the ordinary share capital of the following subsidiary undertakings:

MMC GP Limited
 MMC GP (Scotland) Limited
 MMC GP London Limited
 MMC GP London (Scotland) Limited
 MMC GP London II LLP
 MMC GP London (Scotland) II LLP
 MMC GP Scale-Up I LLP
 MMC GP Scale-Up (Scotland) I LLP
 MMC Ventures Advisors Limited

The company has taken advantage of section 402 of the Companies Act 2006 to exclude the results of its subsidiary undertakings from consolidation on the grounds that their inclusion is not material for the purposes of giving a true and fair view.

10. Debtors

	2019 £	2018 £
Due after more than one year		
Amounts owed by group undertakings	66,482	-
Other debtors	325,305	-
	391,787	-
	2019 £	2018 £
Due within one year		
Trade debtors	156,297	126,900
Other debtors	32,203	121,024
Prepayments and accrued income	573,804	512,123
Deferred taxation	-	11,535
	762,304	771,582

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019
11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	60,185	67,456
Other taxation and social security	123,046	241,274
Other creditors	5,760	5,576
Accruals and deferred income	1,205,620	511,079
	<u>1,394,611</u>	<u>825,385</u>

12. Deferred taxation

	2019 £
At beginning of year	11,535
Charged to the statement of income & retained earnings	(39,760)
At end of year	<u>(28,225)</u>

The deferred taxation balance is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(34,554)	(4,634)
Tax losses carried forward	-	9,757
Impairment of fixed asset investments	6,329	6,412
	<u>(28,225)</u>	<u>11,535</u>

13. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
82,500,000 (2018 - Nil) Ordinary shares of £0.01 each	825,000	-
Nil (2018 - 825,000) Ordinary shares of £1.00 each	-	825,000
	<u>825,000</u>	<u>825,000</u>

On the 27 August 2019 the Company's 825,000 Ordinary shares of £1 each were subdivided into 82,500,000 shares of £0.01 each.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2019
14. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	104,066	68,698
Later than 1 year and not later than 5 years	709,502	-
	<u>813,568</u>	<u>68,698</u>

15. Other financial commitments

At the balance sheet date the Company had committed to advance up to £214,229 (2018: £nil) to employees of the Company.

16. Related party transactions

During the year the Company granted a loan of £78,033 to a director of the Company. The loan bears interest at 2.5% per annum and is repayable within 24 months following the realisation of the assets of the MMC Scale-Up FP I LP fund. At the balance sheet date £78,033 (2018: £nil) is due to the Company and is included in Other debtors due after one year.

17. Post balance sheet events

The directors acknowledge that whilst the pandemic does not affect results for the year to 31 December 2019, the full impact/duration of the COVID-19 pandemic is unknown and the consequences are difficult to project. MMC believes it is well placed to operate through the pandemic due to its continued ability to work remotely and its diverse sources of revenue.