

CIOF General Partner Limited

Directors' report and financial statements

For the year ended 31 March 2023

Registered number: 09501209

SATURDAY



ACFLV6A1

A13

04/11/2023

#34

COMPANIES HOUSE

Company Information

| | |
|----------------------------|---|
| Directors | D Huxford J Silvester P Marston |
| Company secretary | D Huxford |
| Registered number | 09501209 |
| Registered office | First Floor Linea House Harvest Crescent Fleet Hampshire GU51 2UZ |
| Independent auditor | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Bankers | Barclays Bank Plc 1 Churchill Place London E14 5HP |

Contents

| | Page |
|---|--------|
| Directors' report | 1 - 2 |
| Independent auditor's report | 3 - 6 |
| Statement of income and retained earnings | 7 |
| Statement of financial position | 8 |
| Notes to the financial statements | 9 - 12 |

Directors' report

For the year ended 31 March 2023

The directors present their report together with the financial statements of CIOF General Partner Limited ('the company') for the year ended 31 March 2023.

Principal activity

The principal activity of the company during the year was to act as General Partner of Cornwall and Isles of Scilly Investment LP.

Directors

The directors who served during the year were:

D Huxford
J Silvester
P Marston

Directors' responsibilities statement

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 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 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;
- 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.

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

Directors' report (continued)

For the year ended 31 March 2023

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 29 June 2023 and signed on its behalf by:



D Huxford
Director

Independent auditor's report to the member of CIOF General Partner Limited

For the year ended 31 March 2023

Opinion

We have audited the financial statements of CIOF General Partner Limited ('the company') for the year ended 31 March 2023, which comprise the Statement of income and retained earnings, the Statement of financial position 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 March 2023 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 Auditor's 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the member of CIOF General Partner Limited (continued)

For the year ended 31 March 2023

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

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 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; or
- the directors were not entitled to 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, 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.

Independent auditor's report to the member of CIOF General Partner Limited (continued)

For the year ended 31 March 2023

Auditor's 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting Irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the company through discussions with directors and other management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including the Companies Act 2006 and taxation legislation.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- identified and assessed the design effectiveness of controls management has in place to prevent and detect fraud;
- determined the susceptibility of the company to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- reviewed journal entries to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior year;
- tested the completeness of revenue by reviewing the terms of the management agreement and investigated any material variances to expectations; and
- carried out substantive testing to check the occurrence and cut-off of expenditure.

Independent auditor's report to the member of CIOF General Partner Limited (continued)

For the year ended 31 March 2023

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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 Auditor's report.

Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Jonathan West (Senior statutory auditor)
for and on behalf of

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

29 June 2023

Statement of income and retained earnings

For the year ended 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|------|----------------|----------------|
| Revenue | 4 | 681,566 | 681,053 |
| Gross profit | | 681,566 | 681,053 |
| Administrative expenses | | (681,565) | (681,177) |
| Operating profit/(loss) | | 1 | (124) |
| Profit/(loss) after tax | | 1 | (124) |
| Retained earnings at the beginning of the year | | 28 | 152 |
| | | 28 | 152 |
| Profit/(loss) for the year | | 1 | (124) |
| Retained earnings at the end of the year | | 29 | 28 |

All amounts relate to continuing activities.

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of income and retained earnings.

The notes on pages 9 to 12 form part of these financial statements.

Statement of financial position

As at 31 March 2023

| | Note | 2023 £ | 2022 £ |
|--|------|-----------|---------------|
| Current assets | | | |
| Debtors | 7 | - | 12,600 |
| Cash at bank and in hand | | 30 | 165 |
| | | <u>30</u> | <u>12,765</u> |
| Creditors: amounts falling due within one year | 8 | - | (12,736) |
| Net current assets | | <u>30</u> | <u>29</u> |
| Total assets less current liabilities | | <u>30</u> | <u>29</u> |
| Net assets | | <u>30</u> | <u>29</u> |
| Capital and reserves | | | |
| Called up share capital | 9 | 1 | 1 |
| Profit and loss account | | 29 | 28 |
| | | <u>30</u> | <u>29</u> |

The financial statements were approved and authorised for issue by the board on 29 June 2023 and were signed on its behalf by:



D Huxford
Director

The notes on pages 9 to 12 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2023

1. General information

CIOF General Partner Limited is a private company limited by shares and is incorporated in England and Wales. Its registered office and principal place of business is First Floor Linea House, Harvest Crescent, Fleet, Hampshire, GU51 2UZ.

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, The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FRS 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of certain paragraphs of Section 11 Financial Instruments;
- the requirements of certain paragraphs of Section 12 Other Financial Instruments; and
- the requirements of Section 33 Related Party Disclosure paragraph 33.7.

This information is included in the consolidated financial statements of FSE C.I.C. as at 31 March 2023 and these financial statements will be available from The Registrar of Companies.

2.3 Revenue

Revenue represents the company's entitlement to a profit share under the terms of the funding agreement for the fund which the company administers, which is recognised on an accruals basis. Revenue also represents recharges claimed from the fund to match eligible costs incurred.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements

For the year ended 31 March 2023

2. Accounting policies (continued)

2.5 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.6 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors do not consider that there were any significant areas of estimation uncertainty or application of judgement.

4. Analysis of revenue

The whole of the revenue is attributable to the one principal activity of the company.

All revenue arose within the United Kingdom.

Notes to the financial statements

For the year ended 31 March 2023

5. Auditor's remuneration

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| Fees payable to the company's auditor and its associates for the audit of the company's financial statements | 1,800 | 1,600 |
| Fees payable to the company's auditor and its associates in respect of: | | |
| Taxation compliance services | 850 | 775 |
| All other services | 600 | 475 |

The above fees incurred by the company for the year ended 31 March 2023 of £3,250 (2022: £2,850) were borne by FSE Fund Managers Limited.

6. Employees

The company has no employees other than the directors (2022: none).

During the year, remuneration in respect of directors was £nil (2022: £nil).

7. Debtors

| | 2023 £ | 2022 £ |
|---------------------------------------|-----------|-----------|
| Amounts due from related undertakings | - | 12,600 |
| | - | 12,600 |

8. Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|-----------|-----------|
| Amounts owed to group undertakings | - | 12,736 |
| | - | 12,736 |

Notes to the financial statements

For the year ended 31 March 2023

9. Share capital

| | 2023 | 2022 |
|---|------|------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 1 Ordinary share of £1 | 1 | 1 |

Each Ordinary share has attached full voting, dividend and capital distribution rights (including on winding up).

10. Contingent liabilities

The company is the General Partner of the Cornwall and Isles of Scilly Investment LP. As General Partner, the company is liable for all debts and obligations of the LP. At the reporting date, no liabilities were anticipated to arise in respect of this arrangement (2022: none).

There were no other contingent liabilities at 31 March 2023 or 31 March 2022.

11. Capital commitments

The company had no capital commitments at 31 March 2023 or 31 March 2022.

12. Related party transactions

The company has taken advantage of the exemption to disclose related party transactions with other group companies conferred by FRS 102 paragraph 33.1A "Related party disclosures" on the basis that it is a wholly owned subsidiary and group accounts are prepared, which include the company.

The company acts as General Partner of Cornwall and Isles of Scilly Investment LP.

13. Controlling party

The immediate parent company is FSE Fund Managers Limited, a company incorporated in England and Wales and registered at First Floor Linea House, Harvest Crescent, Fleet, Hampshire, GU51 2UZ.

The ultimate parent company is FSE C.I.C. A copy of the consolidated accounts of FSE C.I.C. will be available from The Registrar of Companies.

The largest and smallest group in which the company's accounts are consolidated is headed by FSE C.I.C, whose registered office address is First Floor Linea House, Harvest Crescent, Fleet, Hampshire, GU51 2UZ.

Cornwall and Isles of Scilly Investment LP

Annual report and financial statements

For the year ended 31 March 2023

Registered number: LP019667

SAT

A13

ACFLV6A9
04/11/2023
COMPANIES HOUSE

#35

Information

| | |
|-----------------------------|---|
| General Partner | CIOF General Partner Limited |
| Limited partners | FSE CLOSIF Carry LLP Cornwall and Isles of Scilly Investments Limited FSE Fund Managers Limited |
| LP registered number | LP019667 |
| Registered office | Riverside House 4 Meadows Business Park Blackwater Surrey GU17 9AB |
| Independent auditor | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Manager | FSE Fund Managers Limited |

Contents

| | Page |
|---------------------------------------|---------|
| General Partner's report | 1 - 2 |
| Independent auditor's report | 3 - 6 |
| Statement of comprehensive income | 7 |
| Statement of financial position | 8 |
| Reconciliation of partners' interests | 9 |
| Notes to the financial statements | 10 - 15 |

General Partner's report

For the year ended 31 March 2023

The General Partner presents its annual report together with the audited financial statements of Cornwall and Isles of Scilly Investment LP ('the LP') for the year ended 31 March 2023.

Principal activities

The principal activity of the LP is to carry on the business of investing and to identify, research, negotiate, make, monitor and sell investments, including the making of loans and to carry out all functions and acts in connection therewith.

Partners

The following were partners during the year:

General Partner

CIOSF General Partner Limited

Limited Partners

Cornwall and Isles of Scilly Investments Limited

FSE CLOSIF Carry LLP

FSE Fund Managers Limited

Profit distribution

The General Partner is entitled to receive an amount equal to the management charge due for the period, as a priority share of profits. Where profits are less than the appropriate proportion of the General Partner's share, any deficit is treated as an interest free loan to the General Partner and is repaid as a priority out of future income and gains.

Limited Partners have committed to capital and loans under the Limited Partnership Agreement.

Limited Partners are entitled to receive all available distributions as soon as practicable following receipt, in proportion to the credit balance of the Capital Contributions and loans of the Limited Partners to the aggregate of their interests.

At the end of the of the life of the partnership the Limited Partners are entitled to receive repayment of Capital Contributions made to the LP.

General Partner's responsibilities statement

The General Partner is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Limited Partnership law in the United Kingdom requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LPs, the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the LP and of the profit or loss of the LP for that period.

General Partner's report (continued)

For the year ended 31 March 2023

General Partner's responsibilities statement (continued)

In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the LP's transactions and disclose with reasonable accuracy at any time the financial position of the LP and to enable them to ensure that the financial statements comply with the Companies Act 2006, as applied to qualifying partnerships. The General Partner is also responsible for safeguarding the assets of the LP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

The General Partner at the time when this General Partner's Report is approved has confirmed that:

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

Going concern

The General Partner has considered the impact of current external events on the LP's operations, with a particular focus on its effect on the LP's funders and investments. These events include the Russian-Ukraine war, the cost-of-living crisis, rising energy bills which in turn have led to high inflationary pressures on the economy.

The General Partner does not consider this to be cause for material uncertainty in respect of the LP's ability to continue as a going concern. The LP has employed contingency plans, and the General Partner considers that the LP has sufficient financial resources to continue for the foreseeable future, despite the current events impacting the wider economy. Therefore, the financial statements have been prepared on a going concern basis.

Small qualifying partnerships regime

In preparing this report, the general partner has taken advantage of the special provisions provided by section 415A of the Companies Act 2006, as applied to qualifying partnerships.

This report was approved by the General Partner on 12 May 2023 and signed on its behalf by:



D Huxford

For and on behalf of CIOF General Partner Limited
General Partner

Independent auditor's report to the partners of Cornwall and Isles of Scilly Investment LP

For the year ended 31 March 2023

Opinion

We have audited the financial statements of Cornwall and Isles of Scilly Investment Limited Partnership ('the LP') for the year ended 31 March 2023, which comprise the Statement of comprehensive income, the Statement of financial position, the Reconciliation of partners' interests 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 LP's affairs as at 31 March 2023 and of its loss 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, as applied to qualifying partnerships.

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 LP 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

In auditing the financial statements, we have concluded that the General Partner's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the LP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the General Partner with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the partners of Cornwall and Isles of Scilly Investment LP (continued)

For the year ended 31 March 2023

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The General Partner is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 qualifying 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; or
- the General Partner was not entitled to prepare the financial statements in accordance with the small qualifying partnerships regime and take advantage of the qualifying partnerships' exemptions in preparing the General Partner's report and from the requirement to prepare a strategic report.

Responsibilities of the General Partner

As explained more fully in the General Partners' Responsibilities Statement, the General Partner is 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 General Partner determines 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 General Partner is responsible for assessing the LP'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 General Partner either intends to liquidate the LP or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 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 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.

Independent auditor's report to the partners of Cornwall and Isles of Scilly Investment LP (continued)

For the year ended 31 March 2023

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, including knowledge specific to auditing investment LPs;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the LP through discussions with the General Partner and other management at the planning stage, and from our knowledge and experience of investment LPs;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the LP including the Companies Act 2006 (as applied to qualifying partnerships), and the Limited Partnerships Act 1907.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal correspondence throughout the period for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- identified and assessed the design effectiveness of controls management has in place to prevent and detect fraud;
- determined the susceptibility of the LP to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- reviewed journal entries throughout the year to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated and large variances from the prior year;
- carried out substantive testing to check the occurrence and cut-off of income and expenditure; and
- reviewed accounting estimates and evaluated whether judgements or decisions made by management, in relation to investments, indicated bias on the part of the LP's management.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

Independent auditor's report to the partners of Cornwall and Isles of Scilly Investment LP (continued)

For the year ended 31 March 2023

Auditor's responsibilities for the audit of the financial statements (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditor's Report.

Use of our report

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

Buzzacott LLP

Jonathan West (Senior statutory auditor)
for and on behalf of

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

12 May 2023

Statement of comprehensive income

For the year ended 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|------|------------------|----------------|
| Revenue | 4 | 668,931 | 441,300 |
| Gross profit | | 668,931 | 441,300 |
| Administrative expenses | | (94,289) | (50,821) |
| Movement in provision | 6 | (251,457) | (27,379) |
| Fair value adjustments on valuation of investments | | 60,804 | 526,784 |
| Operating profit | | 383,989 | 889,884 |
| Profit for the year before partners' remuneration and profit shares | | 383,989 | 889,884 |
| Profit for the year before partners' remuneration and profit shares | | 383,989 | 889,884 |
| Partner's remuneration charged as an expense | | (668,193) | (640,655) |
| (Loss)/profit for the financial year available for discretionary division among partners | | (284,204) | 249,229 |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of comprehensive income.

The notes on pages 10 to 15 form part of these financial statements.

Statement of financial position

As at 31 March 2023

| | Note | 2023 £ | 2022 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Investments | 7 | 17,470,923 | 11,169,485 |
| Current assets | | | |
| Debtors | 8 | 10,857 | 7 |
| Cash at bank and in hand | | 2,779,032 | 462,998 |
| Creditors: amounts falling due within one year | 9 | (46,556) | (29,862) |
| Net current assets | | 2,743,333 | 433,143 |
| Net assets | | 20,214,256 | 11,602,628 |
| Represented by: | | | |
| Loans and other debts due to partners | | | |
| Partners' capital classified as a liability | | 21,733,521 | 12,837,689 |
| Partners' other interests | | | |
| Partners' capital classified as equity | 43 | 43 | 43 |
| Other reserves classified as equity | | (1,519,308) | (1,235,104) |
| | | (1,519,265) | (1,235,061) |
| | | 20,214,256 | 11,602,628 |
| Total partners' interests | | | |
| Loans and other debts due to partners | | 21,733,521 | 12,837,689 |
| Partners' other interests | | (1,519,265) | (1,235,061) |
| | | 20,214,256 | 11,602,628 |

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small qualifying partnerships regime.

The financial statements were approved and authorised for issue by the General Partner on 12 May 2023 and were signed on its behalf by:



D Huxford

For and on behalf of CIOF General Partner Limited
General Partner

The notes on pages 10 to 15 form part of these financial statements.

Reconciliation of partners' interests

For the year ended 31 March 2023

| | EQUITY Partners' other interests | | | DEBT Loans and other debts due to partners | | | Total partners' interests |
|--|--|------------------------|--------------------|--|-----------------------|-------------------|---------------------------------|
| | Partners' capital (classified as equity) £ | Other reserves £ | Total £ | Partners' capital (classified as debt) £ | Other amounts £ | Total £ | Total £ |
| Amounts due to partners | | | | 9,754,847 | - | 9,754,847 | |
| Balance at 31 March 2021 | 43 | (1,484,333) | (1,484,290) | 9,754,847 | - | 9,754,847 | 8,270,557 |
| Partners' remuneration charged as an expense | - | - | - | - | 640,655 | 640,655 | 640,655 |
| Profit for the year | - | 249,229 | 249,229 | - | - | - | 249,229 |
| Partners' interests after profit for the year | 43 | (1,235,104) | (1,235,061) | 9,754,847 | 640,655 | 10,395,502 | 9,160,441 |
| Amounts introduced by partners | - | - | - | 4,285,768 | - | 4,285,768 | 4,285,768 |
| Repayment of capital | - | - | - | (1,202,926) | - | (1,202,926) | (1,202,926) |
| Drawings | - | - | - | - | (640,655) | (640,655) | (640,655) |
| Amounts due to partners | | | | 12,837,689 | - | 12,837,689 | |
| Balance at 31 March 2022 | 43 | (1,235,104) | (1,235,061) | 12,837,689 | - | 12,837,689 | 11,602,628 |
| Partners' remuneration charged as an expense | - | - | - | - | 668,193 | 668,193 | 668,193 |
| Loss for the year | - | (284,204) | (284,204) | - | - | - | (284,204) |
| Partners' interests after loss for the year | 43 | (1,519,308) | (1,519,265) | 12,837,689 | 668,193 | 13,505,882 | 11,986,617 |
| Amounts introduced by partners | - | - | - | 9,484,010 | - | 9,484,010 | 9,484,010 |
| Repayment of capital | - | - | - | (588,178) | - | (588,178) | (588,178) |
| Drawings | - | - | - | - | (668,193) | (668,193) | (668,193) |
| Amounts due to partners | | | | 21,733,521 | - | 21,733,521 | |
| Balance at 31 March 2023 | 43 | (1,519,308) | (1,519,265) | 21,733,521 | - | 21,733,521 | 20,214,256 |

The notes on pages 10 to 15 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2023

1. General information

Cornwall and Isles of Scilly Investment LP is a limited partnership registered in England and Wales. Its registered office and principal place of business is Riverside House, 4 Meadows Business Park, Blackwater, Surrey, GU17 9AB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the LP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue represents fees receivable for the period related to the arrangement of investments, interest income on loans held and share realisation from sale of investments held. Arrangement fees are recognised on the execution of the loan being drawn. Interest income is recognised using the effective interest method. Share realisation is recognised on the sale of shares held.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LP and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.3 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

2.4 Investments

Equity

Investments are held at market value estimates in accordance with the Invest Europe valuation guidelines. Fair value changes are adjusted through profit or loss.

Debt

Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements

For the year ended 31 March 2023

2. Accounting policies (continued)

2.5 Debtors

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

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the LP would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Long term liabilities

Limited Partners' contributions in excess of the capital contributions have been treated as long term loans in line with the partnership agreement. All distributions of capital or income made by the fund are first applied in repayment of the loans due to Limited Partners.

2.9 Taxation

The LP is not a taxable entity. Any tax liabilities arising from the results of the partnership are dealt with in the financial statements of the investing parties.

Notes to the financial statements

For the year ended 31 March 2023

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The fund manager has considered the level of loan provisions appropriate at the reporting date on the loan portfolio.

To this end, the fund manager has carried out individual reviews with each client. Whilst the majority of loans have not seen any imminent failures or specific failure signs, the nature of the portfolio suggests that it would be prudent and appropriately cautious to include a general provision figure of 5% of current portfolio value against loans which have been recategorised upon this review.

The General Partner does not consider that there were any other significant areas of estimation uncertainty or application of judgement.

4. Revenue

The whole of the revenue is attributable to the principal activity of the LP.

All turnover arose within the United Kingdom.

5. Employees

During the year the LP had no employees (2022: none).

6. Movement in provision

| | 2023 £ | 2022 £ |
|---------------------|----------------|---------------|
| Provision for loans | 251,457 | 27,379 |
| | <u>251,457</u> | <u>27,379</u> |

Notes to the financial statements

For the year ended 31 March 2023

7. Fixed asset investments

| | Equity £ | Loans £ | Total £ |
|--------------------------|-------------|------------|------------|
| Cost or valuation | | | |
| At 1 April 2022 | 7,719,124 | 3,566,583 | 11,285,707 |
| Additions | 6,187,319 | 540,000 | 6,727,319 |
| Repayments | - | (544,753) | (544,753) |
| Revaluations | 370,329 | - | 370,329 |
| Amounts written off | - | (34,222) | (34,222) |
| At 31 March 2023 | 14,276,772 | 3,527,608 | 17,804,380 |
| Impairment | | | |
| At 1 April 2022 | - | 116,222 | 116,222 |
| Charge for the period | - | 217,235 | 217,235 |
| At 31 March 2023 | - | 333,457 | 333,457 |
| Net book value | | | |
| At 31 March 2023 | 14,276,772 | 3,194,151 | 17,470,923 |
| At 31 March 2022 | 7,719,124 | 3,450,361 | 11,169,485 |

A general provision of 5% has been applied to loans which have been recognised to have a degree of uncertainty in their recoverability.

In the year there has also been a specific provision of £266,016 (2022: £34,222) raised against five loans (2022: one loan).

Notes to the financial statements

For the year ended 31 March 2023

8. Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|---------------|-----------|
| Trade debtors | 4,600 | - |
| Other debtors | 7 | 7 |
| Prepayments and accrued income | 6,250 | - |
| | <u>10,857</u> | <u>7</u> |

9. Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|--------------------------------------|---------------|---------------|
| Trade creditors | - | 537 |
| Amounts owed to related undertakings | 46,556 | 29,325 |
| | <u>46,556</u> | <u>29,862</u> |

10. Contingent liabilities

There were no contingent liabilities at 31 March 2023 or 31 March 2022.

11. Capital commitments

The LP had no capital commitments at 31 March 2023 or 31 March 2022.

12. Related party transactions

At 31 March 2023, there were £16,006,479 (2022: £24,902,311) of uncalled loan capital commitments with limited partners in respect of amounts awaiting drawdown.

During the year, a management charge totalling £668,193 (2022: £640,655) was payable to CIOSF General Partner Limited. At 31 March 2023, £nil (2022: £12,600) was due to CIOSF General Partner Limited.

CIOSF General Partner Limited is a related party by virtue of its role as General Partner of the LP.

At 31 March 2023, £46,556 (2022: £16,725) was payable to limited partners with respect to repayment of loans.

At 31 March 2023, £6 (2022: £6) was due from a limited partner.

Notes to the financial statements

For the year ended 31 March 2023

13. Controlling party

In the opinion of the General Partner, there is no ultimate controlling partner of the LP.

The LP is administered under a Limited Partnership Agreement dated 17 July 2018 by its General Partner, CIOSF General Partner Limited.

The majority limited partner is Cornwall and Isles of Scilly Investments Limited.