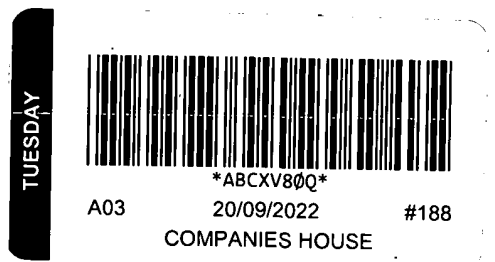


# Financial Statements Accelerated Digital Ventures Limited

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For the year ended 31 December 2021



**Accelerated Digital Ventures Limited**  
**Financial Statements**  
**Year ended 31 December 2021**

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**Accelerated Digital Ventures Limited**  
**Financial Statements**  
**Year ended 31 December 2021**

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**Officers and professional advisers**

Directors	Jasan Fitzpatrick Vishal Gor Christopher J.P. Hopkins Peter Maher
Register number	09693953
Registered office	One Coleman Street London England EC2R 5AA
Auditors	KPMG LLP Statutory Auditor Chartered Accountants 15 Canada Square London E14 5GL
Bankers	Silicon Valley Bank Alphabeta 14-18 Finsbury Square London EC2A 1BR

**Accelerated Digital Ventures Limited**  
**Strategic Report**  
**Year ended 31 December 2021**

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**Strategic Report**

**Principal activities**

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

**Business review**

Throughout 2021 we saw continued deployment from the early stage managers that we have supported. The Company also invested in early stage technology companies directly from its own Balance Sheet.

During 2021 Stephen P. Halliwell resigned as a Director of the Company. Vishal Gor, Christopher J.P. Hopkins and Peter Maher were appointed as Directors of the Company in the year.

**ECF 1 status report**

The Company manages the activities of ADV (GP) LLP which is the General Partner (the "GP") of the Fund. The Fund, as at 31 December 2021, had invested in 55 companies and made 14 follow-on investments at a cost of £70,969,213 and a current fair value of £57,605,437.

The total amount drawn at 31 December 2021 was £80,137,968 or 94% of total commitments, with £4,862,032 still available. The total amount distributed to limited partners was £1,532,550. At 31 December 2021, the Fund total Net Asset Value is £75,248,445 (0.94 Net TVPI), the portfolio NAV, including realisations, is £75,043,060 (1.06x MOIC) and the Gross IRR 1.76%.

**Principal risks and uncertainties**

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

**Covid-19**

The Company's operations continued uninterrupted throughout the Covid-19 Pandemic.

Covid-19 lockdowns resulted in considerable disruption to the global economy, and whilst vaccines have resulted in restrictions easing there is potential that certain sectors will be disrupted for an extended period of time. There is also significant short and medium term uncertainty for both interest rates and inflation.

Covid-19 has continued to impact the markets of some of the companies in which the Fund invests and this has driven increased focus on the valuation of these assets.

**Ukraine**

The recent Russian invasion of Ukraine and the sanctions being placed on Russia are causing volatility in global markets and fuel prices. The companies in which the Fund has invested are not listed on public markets and do not rely on Russia or Ukraine for a material proportion of their operations. As such, the impact of the situation in Ukraine is not expected to have a material impact on the portfolio, but any impact is being continuously monitored.

**Accelerated Digital Ventures Limited**  
**Strategic Report**  
**Year ended 31 December 2020**

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**Strategic Report (continued)**

**Key performance indicators (KPIs)**

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

	<b>Year Ended 31 Dec 2021</b>	<b>Year Ended 31 Dec 2020</b>
	<b>£</b>	<b>£</b>
Turnover	<b>1,700,000</b>	<b>1,700,000</b>
Operating profit/(loss)	<b>26,199,312</b>	<b>(7,444,803)</b>
Investments	<b>84,140,848</b>	<b>53,995,291</b>
Net assets	<b>81,248,246</b>	<b>56,045,830</b>
Gains/(losses)	<b>26,135,952</b>	<b>(5,933,857)</b>

By order of the Board

*Andrew Fairhurst*

A.D. Fairhurst  
For and on behalf of Legal & General Co Sec Limited  
Company Secretary

Date: 15 September 2022

**Accelerated Digital Ventures Limited**  
**Directors' Report**  
**Year ended 31 December 2021**

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**Directors' Report**

The Directors have pleasure in presenting their Report and financial statements of the Company for the year ended 31 December 2021.

**Financial risk management objectives and policies**

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

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

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

**Directors**

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

Jasan Fitzpatrick  
Vishal Gor (appointed 7 December 2021)  
Stephen P. Halliwell (resigned 7 December 2021)  
Christopher J.P. Hopkins (appointed 7 December 2021)  
Peter Maher (appointed 7 December 2021)

**Going concern**

The Company raised up to £70 million of capital on 30 November 2016, as well as gaining a commitment from the British Business Bank to invest up to £50 million in an ECF fund. The Company will receive management fees for its management of the Fund until 2026 and, in the absence of raising further funds, has plans in place to reduce its costs to run the business in line with those fees. Based on its investment forecasts and its ongoing commitments to staff and other partners and suppliers, the Company has adequate cash resources to run its business for the foreseeable future and for a minimum of 12 months from the date of approval of these financial statements. In addition, and in particular, the Board has considered the impact of COVID-19 and believes that this will continue to have a limited financial impact on the Company's operational resources and existence.

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

**Post balance sheet events**

There have been no significant events affecting the Company since the year-end.

**Directors' indemnities**

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

**Accelerated Digital Ventures Limited**  
**Directors' Report**  
**Year ended 31 December 2021**

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**Directors' Report (continued)**

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare group and parent company financial statements for each financial year. Under that law they have elected to prepare both the group and the parent company financial statements in accordance with UK-adopted international accounting standards and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the group and parent company profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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

**Disclosure of information to auditor**

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

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

**Accelerated Digital Ventures Limited**  
**Directors' Report**  
**Year ended 31 December 2021**

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**Directors' Report (continued)**

By order of the Board

*Andrew Fairhurst*

A. D. Fairhurst  
For and on behalf of Legal & General Co Sec Limited  
Company Secretary

Date: 15 September 2022



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELERATED DIGITAL VENTURES LIMITED

### Opinion

We have audited the financial statements of Accelerated Digital Ventures Limited ("the Company") for the year ended 31 December 2021 which comprise the Group and Company Statement of Profit or Loss and other Comprehensive Income, Group and Company Statement of Changes in Equity, Group and Company Statement of Financial Position, Group and Company Statement of cash flow and related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Going concern

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

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

Our conclusions based on this work:

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

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

## **Fraud and breaches of laws and regulations – ability to detect**

Identifying and responding to risks of material misstatement due to fraud

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

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

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

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

We did not identify any additional fraud risks.

We performed procedures including:

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

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

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

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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

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

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

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license

to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, anti-money laundering, client asset sourcebook, regulatory capital and liquidity, employment law and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

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

#### **Strategic Report and Directors' Report**

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

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

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

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

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

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

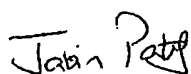
### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 15 September 2022

**Accelerated Digital Ventures Limited**  
**Statement of Profit or Loss and other Comprehensive Income**  
**Year ended 31 December 2021**

<b>Group</b>	<b>Notes</b>	<b>Year Ended 31 December 2021 £</b>	<b>Year Ended 31 December 2020 £</b>
Revenue	2	1,700,000	1,700,000
Realised and unrealised gain/(loss) on disposal and revaluation of investments	7	26,135,952	(5,933,857)
Operating expenses	3	(1,636,640)	(3,210,946)
<b>Operating profit/(loss)</b>		<b>26,199,312</b>	<b>(7,444,803)</b>
Interest payable and similar (expense)/income		(2,257)	(1,220)
<b>Profit/(loss) before tax from continuing operations</b>		<b>26,197,055</b>	<b>(7,446,023)</b>
Income tax expense	6	(994,618)	-
<b>Total comprehensive profit/(loss) for the period</b>		<b>25,202,437</b>	<b>(7,446,023)</b>

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

<b>Company</b>	<b>Notes</b>	<b>Year Ended 31 December 2021 £</b>	<b>Year Ended 31 December 2020 £</b>
Revenue	2	3,056,000	3,056,000
Realised and unrealised gain/(loss) on disposal and revaluation of investments	7	26,135,952	(5,933,857)
Operating expenses	3	(3,047,711)	(4,622,395)
<b>Operating profit/(loss)</b>		<b>26,144,241</b>	<b>(7,500,252)</b>
Interest payable and similar (expense)/income		(2,257)	(1,221)
<b>Profit/(loss) before tax from continuing operations</b>		<b>26,141,984</b>	<b>(7,501,473)</b>
Income tax expense	6	(994,618)	-
<b>Total comprehensive profit/(loss) for the period</b>		<b>25,147,366</b>	<b>(7,501,473)</b>

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

**Accelerated Digital Ventures Limited**  
**Statement of Changes in Equity**  
**Year ended 31 December 2021**

<b>Group</b>	<b>Share Capital £</b>	<b>Share Premium £</b>	<b>Retained Earnings £</b>	<b>Total £</b>
<b>At 1 January 2021</b>	680,242	64,830,141	(9,464,553)	<b>56,045,830</b>
Issue of share capital	-	-	-	-
Disposal of own shares	(21)	-	-	(21)
Total comprehensive income	-	-	25,202,437	<b>25,202,437</b>
<b>At 31 December 2021</b>	<b>680,221</b>	<b>64,830,141</b>	<b>15,737,884</b>	<b>81,248,246</b>
<b>At 1 January 2020</b>	601,650	57,041,132	(2,018,530)	<b>55,624,252</b>
Issue of share capital	78,677	7,789,009	-	<b>7,867,686</b>
Disposal of own shares	(85)	-	-	(85)
Total comprehensive income	-	-	(7,446,023)	<b>(7,446,023)</b>
<b>At 31 December 2020</b>	<b>680,242</b>	<b>64,830,141</b>	<b>(9,464,553)</b>	<b>56,045,830</b>

<b>Company</b>	<b>Share Capital £</b>	<b>Share Premium £</b>	<b>Retained Earnings £</b>	<b>Total £</b>
<b>At 1 January 2021</b>	680,242	64,830,141	(9,643,728)	<b>55,866,655</b>
Issue of share capital	-	-	-	-
Disposal of own shares	(21)	-	-	(21)
Total comprehensive income	-	-	25,147,366	<b>25,147,366</b>
<b>At 31 December 2021</b>	<b>680,221</b>	<b>64,830,141</b>	<b>15,503,638</b>	<b>81,014,000</b>
<b>At 1 January 2020</b>	601,650	57,041,132	(2,142,255)	<b>55,500,527</b>
Issue of share capital	78,677	7,789,009	-	<b>7,867,686</b>
Disposal of own shares	(85)	-	-	(85)
Total comprehensive income	-	-	(7,501,473)	<b>(7,501,473)</b>
<b>At 31 December 2020</b>	<b>680,242</b>	<b>64,830,141</b>	<b>(9,643,728)</b>	<b>55,866,655</b>

**Accelerated Digital Ventures Limited**  
**Group Statement of Financial Position**  
**as at 31 December 2021**

	Notes	At 31 December 2021 £	At 31 December 2020 £
<b>Fixed assets</b>			
Investments at fair value through profit and loss	7	84,140,848	53,995,291
<b>Current assets</b>			
Trade and other receivables	8	122,825	145,369
Cash and cash equivalents	18	1,445,346	2,086,724
<b>Total assets</b>		<b>85,709,019</b>	<b>56,227,384</b>
<b>Current liabilities</b>			
Trade and other payables	9	359,854	181,554
Income tax	6	994,618	-
<b>Long term Liabilities</b>			
Intercompany loans	10	3,106,301	-
<b>Total liabilities</b>		<b>4,460,773</b>	<b>181,554</b>
<b>Net assets</b>		<b>81,248,246</b>	<b>56,045,830</b>
<b>Equity</b>			
Share capital	11	680,221	680,242
Share premium		64,830,141	64,830,141
Retained earnings	12	15,737,884	(9,464,553)
<b>Total equity</b>		<b>81,248,246</b>	<b>56,045,830</b>

These financial statements were approved by the Board of Directors and authorised for issue on 15 September 2022.

Company number: 09693953

Signed on behalf of the Board by:

DocuSigned by:

Vishal Gor

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Vishal Gor  
 Director


**Accelerated Digital Ventures Limited**  
**Company Statement of Financial Position**  
**as at 31 December 2021**

	Notes	At 31 December 2021 £	At 31 December 2020 £
<b>Fixed assets</b>			
Investments at fair value through profit and loss	7	84,150,848	54,005,291
<b>Current assets</b>			
Trade and other receivables	8	122,825	145,369
Cash and cash equivalents	18	1,434,921	2,072,145
<b>Total assets</b>		<b>85,708,594</b>	<b>56,222,805</b>
<b>Current liabilities</b>			
Trade and other payables	9	593,675	356,150
Income tax	6	994,618	
<b>Long term liabilities</b>			
Intercompany loans	10	3,106,301	-
<b>Total liabilities</b>		<b>4,694,594</b>	<b>356,150</b>
<b>Net assets</b>		<b>81,014,000</b>	<b>55,866,655</b>
<b>Equity</b>			
Share capital	11	680,221	680,242
Share premium		64,830,141	64,830,141
Retained earnings	12	15,503,638	(9,643,728)
<b>Total equity</b>		<b>81,014,000</b>	<b>55,866,655</b>

These financial statements were approved by the Board of Directors and authorised for issue on 15 September 2022.

Company number: 09693953

Signed on behalf of the Board by:

DocuSigned by:  
  
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Vishal Gor  
 Director



**Accelerated Digital Ventures Limited**  
**Group Statement of Cash Flow**  
**Year ended 31 December 2021**

	Notes	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
<b>Continuing operations</b>			
<b>Cash flow from operating activities</b>			
Operating profit/loss from continuing operations		26,199,312	(7,444,803)
Adjustments for:			
Unrealised (decrease)/increase in carrying value of investments	7	(26,135,952)	5,933,857
Decrease / (increase) in trade and other receivables	8	22,544	(91,141)
Increase / (Decrease) in trade and other payables	9	178,300	(41,144)
<b>Cash used in operating activities</b>		264,204	(1,643,231)
Interest payable and similar (expense)/income		(2,257)	(1,220)
<b>Total cash flows from operating activities</b>		261,947	(1,644,451)
<b>Investing activities</b>			
Purchases of investments	7	(4,416,274)	(7,275,766)
Sale of investments	7	406,669	2,674,008
<b>Net cash generated (used in) investing activities</b>		(4,009,605)	(4,601,758)
<b>Financing activities</b>			
(Disposal)/issue of shares	11	(21)	7,867,601
Intercompany loan	10	3,106,301	-
<b>Net cash generated from financing activities</b>		3,106,280	7,867,601
<b>Net (decrease)/increase in cash and cash equivalents</b>		(641,378)	1,621,392
<b>Cash and cash equivalents at the beginning of the period</b>		2,086,724	465,332
<b>Cash and cash equivalents at the end of the period</b>	18	1,445,346	2,086,724

**Accelerated Digital Ventures Limited**  
**Company Statement of Cash Flow**  
**Year ended 31 December 2021**

	Notes	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
<b>Continuing operations</b>			
<b>Cash flow from operating activities</b>			
Operating (loss)/profit from continuing operations		26,144,241	(7,500,252)
Adjustments for:			
Unrealised (decrease)/increase in carrying value of investments	7	(26,135,952)	5,933,857
Decrease / (increase) in trade and other receivables	8	22,544	(98,701)
Increase / (Decrease) in trade and other payables	9	237,525	17,287
<b>Cash used in operating activities</b>		268,358	(1,647,809)
Interest receivable and similar (expense)/income		(2,257)	(1,221)
<b>Total cash flows from operating activities</b>		266,101	(1,649,030)
<b>Investing activities</b>			
Purchases of investments	7	(4,416,274)	(7,275,766)
Sale of investments	7	406,669	2,674,008
<b>Net cash generated (used in) investing activities</b>		(4,009,605)	(4,601,758)
<b>Financing activities</b>			
(Disposal)/issue of ordinary shares	11	(21)	7,867,601
Intercompany loan	10	3,106,301	-
<b>Net cash generated from financing activities</b>		3,106,280	7,867,601
<b>Net (decrease)/increase in cash and cash equivalents</b>		(637,224)	1,616,813
<b>Cash and cash equivalents at the beginning of the period</b>		2,072,145	455,332
<b>Cash and cash equivalents at the end of the period</b>	18	1,434,921	2,072,145

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

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**1. Accounting policies**

**Nature of operations**

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

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

**Basis of preparation**

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

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

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

**Going concern**

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

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

**Sources of estimation and key judgements**

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

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

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

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

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**i. Accounting policies (continued)**

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

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2021.

*Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform Phase 2*  
 These amendments, issued in August 2020, address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual reporting periods beginning on or after 1 January 2021. The Company does not expect the impact to be significant.

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

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

*Annual Improvements to IFRS Standards 2018-2020*

These amendments, issued in May 2020, make minor amendments to IFRS 1 'First-time Adoption of IFRS', IFRS 9 'Financial instruments', IAS 41 'Agriculture' and the Illustrative Examples accompanying IFRS 16 'Leases'. The amendments are effective for annual reporting periods beginning on or after 1 January 2022, subject to UK endorsement. The Company does not expect the impact to be significant.

*Amendments to IAS 16 - Property, plant and equipment*

These amendments, issued in May 2020, prohibit a Company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, a Company will recognise such sales proceeds and related cost in profit or loss. The amendments are effective for annual reporting periods beginning on or after 1 January 2022, subject to UK endorsement. The Company does not expect the impact to be significant.

*Amendments to IAS 37 - Provisions, contingent liabilities and contingent assets*

These amendments, issued in May 2020, specify which costs a company includes when assessing whether a contract will be loss-making. The amendments are effective for annual reporting periods beginning on or after 1 January 2022, subject to UK endorsement. The Company does not expect the impact to be significant.

*Amendments to IFRS 3 - Business Combinations*

These amendments, issued in May 2020, update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendments are effective for annual reporting periods beginning on or after 1 January 2022, subject to UK endorsement. The Company does not expect the impact to be significant.

*Amendments to IAS 1 – Presentation of Financial Statements*

These amendments, issued in January 2020, clarify the existing requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023, subject to UK endorsement. The Company does not expect the impact to be significant.

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2020**

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**i. Accounting policies (continued)**

*Amendments to IAS 8 – Accounting policies, Changes in Accounting Estimates and Errors*

*These amendments, issued in February 2021, aim to help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023, subject to UK endorsement. The company does not expect the impact to be significant.*

*Amendments to IAS 12 – Income Tax*

*These amendments, issued in May 2021, clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for annual reporting periods beginning on or after 1 January 2023, subject to UK endorsement. The company does not expect the impact to be significant.*

**Revenue recognition**

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

**Taxation**

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

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

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

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

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

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

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**1. Accounting policies (continued)**

**Accounting for subsidiaries**

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

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

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

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

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

ADV Management Limited is consolidated as it is not classified as an investment entity for the purposes of IFRS 10.

**Investments**

Investments comprise investments in unquoted equity instruments which are measured at fair value', in accordance with IFRS 9 / IAS 39 the International Private Equity and Venture Capital ('IPEV') Valuation Guidelines, December 2018 edition, and 31 March 2020 special guidance. Changes in fair value are recognised in the profit and loss. Where relevant, the Company and the Fund applies the policies stated below to the investments held, in order to determine the fair value.

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

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

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

- i. initially, investments are valued at the price of recent investments less fees. Subsequently, investments are valued based on (ii) to (iii) below;
- ii. Appropriate fair value movements are made against all individual valuations where necessary to reflect unsatisfactory performance against a previously agreed set of milestones. The milestones could be financial, technical or development led.
- iii. where more appropriate, and there is sufficient data available, investments can be valued based on other methodologies, including using their net assets or discounted cash flows, or on their earnings or revenue, or latest funding rounds.

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

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

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**1. Accounting policies (*continued*)**

**Investment Fair Value Hierarchy**

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

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

Level 2 – inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

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

**Investment Income**

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

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

**Financial instruments**

**Financial asset**

Financial assets in the scope of IAS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, or available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets upon initial recognition.

**Trade payables**

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

**Trade receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recoverable within 12 months. They are not entered into with the intention of immediate or short-term resale and are not classified as trading securities or designated as investment securities. Such assets are carried at amortised cost using the effective interest method. This calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. Gains and losses are recognised in the income statement when the receivables are derecognised or impaired, as well as through the amortisation process.

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

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**1. Accounting policies (continued)**

***Measurement of financial instruments at initial recognition***

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

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

- if the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e., a Level 1 input) or based on a valuation technique that uses only data from observable markets, the Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss;
- in all other cases, the initial measurement of the financial instrument is adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only when the inputs become observable, or when the instrument is derecognized.

***Cash and cash equivalents***

Cash and cash equivalents consist of cash on hand, including cash held in the Company's solicitors' client account, and are free from contractual encumbrances and readily convertible to known amount of cash.

***Derecognition of financial assets and liabilities***

***Financial assets***

A financial asset is derecognised where:

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

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



**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

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**1. Accounting policies (continued)**

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

***Financial liabilities***

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

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

***Inter-company loans***

The Company receives loans from its parent company for working capital requirements. The loans are held at cost plus accrued interest.

***Equity***

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

*Allowable issue costs are offset against share premium.*

Retained loss includes all current period results as disclosed in the income statement.

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

**2. Revenue**

	<b>Year Ended 31 Dec 2021 £</b>	<b>Year Ended 31 Dec 2020 £</b>
<b>Group</b>		
Revenue from provision of management services (all UK)	1,700,000	1,700,000
<b>Company</b>		
Revenue from provision of management services (all UK)	3,056,000	3,056,000

**3. Operating expenses and auditors' remuneration**

	<b>Year Ended 31 Dec 2021 £</b>	<b>Year Ended 31 Dec 2020 £</b>
<b>Group</b>		
Staff Costs	966,240	2,491,095
Outsourced management support	5,250	8,789
Software development costs	-	42,207
Travel and accommodation	16,170	90,408
Professional fees	377,630	347,767
Other expenses	271,350	230,680
<b>Total operating expenses</b>	<b>1,636,640</b>	<b>3,210,946</b>
<b>Company</b>		
Staff Costs	966,240	2,491,095
Outsourced management support	1,445,250	1,448,789
Software development costs	-	42,207
Travel and accommodation	16,170	90,408
Professional fees	357,630	319,218
Other expenses	262,421	230,678
<b>Total operating expenses</b>	<b>3,047,711</b>	<b>4,622,395</b>

**Auditor's Remuneration**

	<b>Year Ended 31 Dec 2021 £</b>	<b>Year Ended 31 Dec 2020 £</b>
Audit of these financial statements	22,000	30,000
Audit of financial statements of other group companies	10,000	10,000
Amounts received by the company's auditor in respect of:		
- Other assurance services pursuant to legislation	10,000	9,000

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

**4. Employee benefit expense**

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

	Year Ended 31 Dec 2021	Year Ended 31 Dec 2020
<b>Group</b>		
Management and administration	7	11
<b>Total</b>	<b>7</b>	<b>11</b>
<b>Company</b>		
Management and administration	7	11
<b>Total</b>	<b>7</b>	<b>11</b>

The aggregate payroll costs of the above were:

	Year Ended 31 Dec 2021 £	Year Ended 31 Dec 2020 £
<b>Group</b>		
Wages and salaries	865,221	2,132,783
Social security costs	82,752	276,554
Pension costs	18,267	81,758
<b>Total remuneration</b>	<b>966,240</b>	<b>2,491,095</b>
<b>Company</b>		
Wages and salaries	865,221	2,132,783
Social security costs	82,752	276,554
Pension costs	18,267	81,758
<b>Total remuneration</b>	<b>966,240</b>	<b>2,491,095</b>

## 5. Directors and key management personnel compensation

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

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

	Year Ended 31 Dec 2021 £	Year Ended 31 Dec 2020 £
<b>Group</b>		
Salaries including bonuses	138,738	1,063,000
Social security costs	23,308	128,037
Pension costs	4,100	13,333
<b>Total remuneration</b>	<b>166,146</b>	<b>1,204,370</b>
<b>Company</b>		
Salaries including bonuses	138,738	1,063,000
Social security costs	23,308	128,037
Pension costs	4,100	13,333
<b>Total remuneration</b>	<b>166,146</b>	<b>1,204,370</b>

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

	Year Ended 31 Dec 2021 £	Year Ended 31 Dec 2020 £
Salaries including bonuses	262,792	158,115
Social security costs	34,292	16,720
Pension costs	-	-
<b>Total remuneration</b>	<b>297,084</b>	<b>174,835</b>

The total remuneration of the highest paid Director was £166,146 (2020: £402,384).

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

**6. Income taxes**

The tax expense for the Group comprises:

	Total £	Accelerated Digital Ventures Limited £	ADV Management Limited
<b>Period start</b>		<b>01/01/2021</b>	<b>01/01/2021</b>
<b>Period end</b>		<b>31/12/2021</b>	<b>31/12/2021</b>
<b>Analysis of tax charge for the period</b>			
<b>Current tax</b>			
UK corporation tax	-	-	-
Group relief payable	994,618	994,618	-
<b>Total current tax charge</b>	<b>994,618</b>	<b>994,618</b>	<b>-</b>
<b>Deferred tax</b>			
Origination and reversal of timing differences	-	-	-
<b>Tax on profit on ordinary activities</b>	<b>994,618</b>	<b>994,618</b>	<b>-</b>
<b>Movement in deferred tax provision</b>			
Provision at start of the period	-	-	-
Deferred tax charged in the Profit and loss account for the period	-	-	-
<b>Provision at end of period</b>	<b>-</b>	<b>-</b>	<b>-</b>
 Profit on ordinary activities before tax from continuing operations	 26,197,055	 26,141,984	 55,071
Tax on profit on ordinary activities at standard CT rate	4,977,440	4,966,977	10,463
Effects of:			
Expenses not deductible for tax purposes	32,331	32,331	-
Income not taxable for tax purposes	(4,965,831)	(4,965,831)	-
Amounts charged directly to STRGL or otherwise transferred	(329,660)	(329,660)	-
Chargeable gains	1,709,161	1,709,161	-
Group relief (claimed)	(10,463)	-	(10,463)
Timing differences not recognised in the computation	271,732	271,732	-
Remeasurement of deferred tax for changes in tax rates	(419,153)	(419,153)	-
Movement in deferred tax not recognised	(270,939)	(270,939)	-
<b>Income tax expense</b>	<b>994,618</b>	<b>994,618</b>	<b>-</b>

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

**6. Income taxes (continued)**

	<b>Total</b>	<b>Accelerated Digital Ventures Limited</b>	<b>ADV Management Limited</b>
	<b>£</b>	<b>£</b>	
<b>Period start</b>		<b>01/01/2020</b>	<b>01/01/2020</b>
<b>Period end</b>		<b>31/12/2020</b>	<b>31/12/2020</b>
<b>Analysis of tax charge for the period</b>			
<b>Current tax</b>			
UK corporation tax	-	-	-
Group relief payable	-	-	-
Total current tax charge	-	-	-
<b>Deferred tax</b>			
Origination and reversal of timing differences	-	-	-
Tax on profit on ordinary activities	-	-	-
<b>Movement in deferred tax provision</b>			
Provision at start of the period	-	-	-
Deferred tax charged in the Profit and loss account for the period	-	-	-
Provision at end of period	-	-	-
Profit on ordinary activities before tax from continuing operations	<b>(7,437,054)</b>	<b>(7,501,473)</b>	<b>64,719</b>
Tax on profit on ordinary activities at standard CT rate	<b>(1,412,983)</b>	<b>(1,425,280)</b>	<b>12,297</b>
Effects of:			
Expenses not deductible for tax purposes	<b>1,136,236</b>	<b>1,136,236</b>	-
Adjustments to brought forward values	<b>(630)</b>	<b>(630)</b>	-
Income not taxable for tax purposes	-	-	-
Amounts charged directly to STRGL or otherwise transferred	<b>(332,731)</b>	<b>(332,731)</b>	-
Chargeable gains	<b>338,254</b>	<b>338,254</b>	-
Group relief surrendered/(claimed)	-	<b>12,297</b>	<b>(12,297)</b>
Timing differences not recognised in the computation	<b>(8,405)</b>	<b>(8,405)</b>	-
Remeasurement of deferred tax for changes in tax rates	<b>(182,858)</b>	<b>(182,858)</b>	-
Movement in deferred tax not recognised	<b>463,117</b>	<b>463,117</b>	-
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>

As per Finance Act 2021 the main rate of corporation tax will increase from 19% to 25% from 1 April 2023. The Group has an unrecognised deferred tax asset of £1,746,469 comprising of short term timing differences of £774 and trading losses and other deductions of £1,745,695. These balances have been calculated using the 25% corporation deferred tax rate. However, deferred tax has not been recognised on this due to uncertainty over the recoverability of this asset. There is no expiry on the Group's carried forward trading losses.

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

**7. Investments at fair value through profit and loss**

	At 1 January 2021 £	Additions £	Net change in fair value of investments £	Disposals £	At 31 December 2021 £
<b>Group</b>					
<b>Unquoted investments</b>					
Ordinary shares	3,334,750	2,106,480	(3,334,787)	-	2,106,443
Convertible loan notes	2,500,000	100,000	(2,600,000)	-	-
Capital contribution and loans to ADV ECF 1	36,824,752	849,599	(630,686)	-	37,043,665
Other Partnership loans	11,335,789	1,360,195	32,701,425	(406,669)	44,990,740
	<b>53,995,291</b>	<b>4,416,274</b>	<b>26,135,952</b>	<b>(406,669)</b>	<b>84,140,848</b>

	At 1 January 2020 £	Additions £	Net change in fair value of investments £	Disposals £	At 31 December 2020 £
<b>Group</b>					
<b>Unquoted investments</b>					
Ordinary shares	5,500,420	1,499,957	(3,665,627)	-	3,334,750
Convertible loan notes	-	2,500,000	-	-	2,500,000
Capital contribution and loans to ADV ECF 1	42,043,725	1,813,866	(7,032,839)	-	36,824,752
Other Partnership loans	7,783,245	1,461,943	4,764,609	(2,674,008)	11,335,789
	<b>55,327,390</b>	<b>7,275,766</b>	<b>(5,933,857)</b>	<b>(2,674,008)</b>	<b>53,995,291</b>

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

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**7. Investments at fair value through profit and loss (continued)**

<b>Company</b>	<b>At 1 January 2020 £</b>	<b>Additions £</b>	<b>Net change in fair value of investments £</b>	<b>Disposals £</b>	<b>At 31 December 2020 £</b>
<b>Unquoted investments</b>					
Ordinary shares	5,500,420	1,499,957	(3,665,627)	-	3,334,750
Convertible loan notes	-	2,500,000	-	-	2,500,000
Partnership Loans	10,000	-	-	-	10,000
Capital contribution and loans to ADV ECF 1	42,043,725	1,813,866	(7,032,839)	-	36,824,752
Other Partnership loans	7,783,245	1,461,943	4,764,609	(2,674,008)	11,335,789
	<b>55,337,390</b>	<b>7,275,766</b>	<b>(5,933,857)</b>	<b>(2,674,008)</b>	<b>54,005,291</b>

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

The valuation techniques used in determining an appropriate fair value of an investment in is outlined in Note 1, Investments accounting policy, Page 21. Milestone analysis is the primary valuation methodology for the Company's direct investments. As such, there is no specific source of estimation uncertainty (e.g. a revenue multiple) applied across the portfolio. As portfolio companies mature and are able to be valued using techniques such as discounted cash flows, sources of estimation uncertainty will be identified. The Company values its loan to the ADV ECF and other Partnership loans in line with the valuation information provided to it by the funds it has invested in.

**Fair Value Hierarchy**

	<b>31 Dec 2021 £</b>	<b>31 Dec 2020 £</b>
<b>Group</b>		
Level 1	-	-
Level 2	-	-
Level 3	84,140,848	53,995,291
<b>Total</b>	<b>84,140,848</b>	<b>53,995,291</b>
<b>Company</b>		
Level 1	-	-
Level 2	-	-
Level 3	84,150,848	54,005,291
<b>Total</b>	<b>84,150,848</b>	<b>54,005,291</b>



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**8. Trade and other receivables**

	31 Dec 2021	31 Dec 2020
	£	£
<b>Group</b>		
Trade receivables	104,183	116,124
Prepayments	18,642	29,245
<b>Total trade and other receivables</b>	<b>122,825</b>	<b>145,369</b>
<b>Company</b>		
Trade receivables	104,183	116,124
Prepayments	18,642	29,245
<b>Total trade and other receivables</b>	<b>122,825</b>	<b>145,369</b>

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

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

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**9. Trade and other payables**

	31 Dec 2021 £	31 Dec 2020 £
<b>Group</b>		
Trade payables	4,457	82,247
Other payables	8,977	6,316
Amounts due to related parties	-	-
Other payables – tax and social security payments	48,257	(5,016)
<b>Trade and other payables</b>	<b>61,691</b>	<b>83,547</b>
Accruals	298,163	98,007
<b>Total trade and other payables</b>	<b>359,854</b>	<b>181,554</b>
<b>Company</b>		
Trade payables	3,031	82,247
Other payables	8,977	6,316
Amounts due to related parties	254,897	197,797
Other payables – tax and social security payments	48,607	(9,216)
<b>Trade and other payables</b>	<b>315,512</b>	<b>277,144</b>
Accruals	278,163	79,006
<b>Total trade and other payables</b>	<b>593,675</b>	<b>356,150</b>

The Directors consider the carrying amount of trade payables approximates to their fair value.

**10. Long term liabilities**

	31 Dec 2021 £	31 Dec 2020 £
<b>Group</b>		
Inter-company loan balance	3,106,301	-
<b>Total long term liabilities</b>	<b>3,106,301</b>	<b>-</b>
<b>Company</b>		
Inter-company loan balance	3,106,301	-
<b>Total long term liabilities</b>	<b>3,106,301</b>	<b>-</b>

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**11. Share capital**

No A Ordinary shares were issued during the year.

	2021	2020
	£	£
<b>Issued share capital:</b>		
55,253,686 A Ordinary Shares of £0.01	552,537	552,537
12,750,000 A1 Ordinary Shares of £0.01	127,500	127,500
1,600 B1 Ordinary Shares of £0.01	16	16
4,525 B2 Ordinary Shares of £0.01	46	47
6,125 C1 Ordinary Shares of £0.01	61	71
6,125 C2 Ordinary Shares of £0.01	61	71
<b>Total</b>	<b>680,221</b>	<b>680,242</b>

The share capital of Accelerated Digital Ventures Limited consists only of fully paid ordinary shares with a nominal value of £0.01 per share. A and A1 shares are eligible to receive dividends and the repayment of capital. B1 and B2 shares are hurdle shares and only become eligible to receive dividends and the repayment of capital once the A and A1 shares are valued at £1.07 per share. The B1 shares are fully vested. The B2 shares vest over a 5 year period ending on 30 November 2021. The C1 and C2 shares are flowering shares and have no rights and will only acquire value once certain performance targets and hurdles are met.

Each A share, A1 share, flowered C1 and C2 share and vested B share represent a single vote at the shareholder meetings of Accelerated Digital Ventures Limited. Unvested B shares are not entitled to vote at shareholder meetings.

Share premium constitutes the amount paid per A and A1 share subscribed for above their nominal value less associated fund-raising expenditure.

**12. Retained earnings**

<b>Group</b>	<b>£</b>
<b>At 1 January 2021</b>	<b>(9,464,553)</b>
Profit for the period	25,202,437
<b>At 31 December 2021</b>	<b>15,737,884</b>
<b>Group</b>	<b>£</b>
<b>At 1 January 2020</b>	<b>(2,018,530)</b>
Loss for the period	(7,446,023)
<b>At 31 December 2020</b>	<b>(9,464,553)</b>
<b>Company</b>	<b>£</b>
<b>At 1 January 2021</b>	<b>(9,643,728)</b>
Profit for the period	25,147,366
<b>At 31 December 2021</b>	<b>15,503,638</b>
<b>Company</b>	<b>£</b>
<b>At 1 January 2020</b>	<b>(2,142,255)</b>
Loss for the period	(7,501,473)
<b>At 31 December 2020</b>	<b>(9,643,728)</b>

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

**Accelerated Digital Ventures Limited**  
**Notes to the financial statements**  
**Year ended 31 December 2021**

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**13. Financial instruments**

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

**Credit risk**

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

**Liquidity risk**

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

**Financial assets and liabilities**

The IAS 39 categories of financial assets and liabilities included in the Company balance sheet are as follows:

	2021 £	2020 £
<b>Financial assets</b>		
Trade and other receivables (note 8)	104,183	116,124
Cash and cash equivalent	1,434,921	2,086,724
	<b>1,539,104</b>	<b>2,202,848</b>
<b>Financial liabilities</b>		
Trade and other payables (note 9)	61,691	83,547
Long term liabilities (note 10)	3,106,301	-
	<b>3,167,992</b>	<b>83,547</b>

**14. Capital management**

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

The Company can draw down capital from its shareholders on a quarterly basis and will base its drawdowns on financial forecasts and investment pipelines to maintain an efficient overall financing structure while avoiding excessive leverage.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

**Accelerated Digital Ventures Limited**  
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**15. Related parties**

**Identity of related parties**

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

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

**Board of Directors**

Key management personnel are those having authority and responsibilities directly and indirectly, to control the activities of the entity and for the company these are considered to be the board of directors. Compensation of key management personnel is disclosed in note 5.

**Related party balances**

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

**Due from related parties**

	31 Dec 2021	31 Dec 2020
	£	£
Loan receivable from ADV ECF LP	41,610,020	40,760,421

£41,610,020 is the gross value of the receivable. The fair value of the receivable can be viewed in Note 7. The loan to ADV ECF LP is interest free.

**Due to related parties**

	31 Dec 2021	31 Dec 2020
	£	£
ADV Management Limited	254,897	197,797
Legal & General Capital Investments Limited	3,106,301	-

**Accelerated Digital Ventures Limited**  
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**15. Related parties (continued)**

**Transactions with related parties**

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

Revenue

	31 Dec 2021	31 Dec 2020
	£	£
Management fees from ADV ECF LP	1,700,000	1,700,000
Revenue from ADV Management Limited in respect of seconded staff	1,356,000	1,356,000

Expenses

	31 Dec 2021	31 Dec 2020
	£	£
Fund management services from ADV Management Limited	1,440,000	1,440,000

ADV ECF LP is a partnership established by British Business Finance Ltd and the Company. The company has committed £44,135,000 to the fund, which is equal to 51.92% of total commitments.

ADV Management Limited is a subsidiary of the Company.

**16. Commitments and Contingencies**

**Operating lease commitments**

The operating lease for a flat in London for employees has come to an end. The Company has not other leases in place.

Future minimum rentals payments under non-cancellable operating leases as at 31 December 2020 are, as follows:

	31 Dec 2021	31 Dec 2020
	£	£
Within one year	-	13,000
After one year but not more than five years	-	-
More than five years	-	-
	<u>-</u>	<u>13,000</u>

**Contingencies**

In the normal course of business, the Company has made investment commitments to subscribe for further shares of £0 and to make further loans of £657,448.

**Accelerated Digital Ventures Limited**  
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**17. Controlling party**

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

**18. Notes supporting statement of cash flows**

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

<b>Group</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash available on demand	<b>1,445,346</b>	<b>2,086,724</b>
Cash available on notice (less than 3 months)	-	-
Total cash and cash equivalents	<b>1,445,346</b>	<b>2,086,724</b>

<b>Company</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash available on demand	<b>1,434,921</b>	<b>2,072,145</b>
Cash available on notice (less than 3 months)	-	-
Total cash and cash equivalents	<b>1,434,921</b>	<b>2,072,145</b>

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

**19. Subsequent events**

None.