

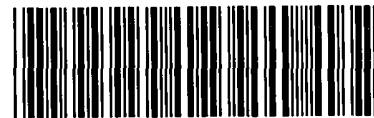
Registered No. OC324798

DN Capital (UK) LLP

Consolidated Report and Financial Statements

For the year ended 31 December 2021

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DN Capital (UK) LLP

Members and Professional Advisers

Designated Members

Nenad Marovac
DN Capital Limited

Members

John Horton
Thomas Rubens
Ian Marsh
Guy Ward Thomas
Teemu Mattila
Ragnar Jongen (resigned on 31 December 2021)
Susann Aulbach
Alessandro Babini (appointed on 1 May 2021)

Registered office

2 Queen Anne's Gate Buildings, Dartmouth Street, London SW1H 9BP

Registered number

OC324798

Country of incorporation

United Kingdom

Auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

DN Capital (UK) LLP

Strategic report for the year ended 31 December 2021

The Members have pleasure in presenting the strategic report and the consolidated financial statements of DN Capital (UK) LLP (the "LLP") for the year ended 31 December 2021.

Review of the business

The consolidated statement of comprehensive income and retained earnings is set out on page 8 and shows revenue for the year of £7.9 million (2020: £5.2 million) and a profit before Members' remuneration of £4.2 million (2020: £3.3 million). The Designated Members consider the results satisfactory and that the COVID 19 pandemic does not have a material impact on the financial position of the business. They anticipate that the LLP will continue to trade profitably for the foreseeable future.

Since the statement of financial position date, there have been no events materially affecting the position of the LLP or the Group.

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Designated Members are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The LLP and the Group derive the majority of their revenues in respect of their role as investment adviser to the General Partners of six venture capital funds and so face risks and uncertainties derived from dependence on these clients. However, the Designated Members consider it unlikely that these clients will be lost. The firm held final close of an institutional venture capital fund on 30 June 2021 and raised a Special Purpose Vehicle during 2021.

The General Partners receive General Partner Share ("GPS") or management fees quarterly in advance from the venture capital funds. The GPS or management fees is a contractual amount that is recalculated at the start of each year based upon either investor Commitments or residual cost adjusted for undrawn Commitments.

The LLP bills its management fees to the General Partners and recharges some of its travel and related expenses associated with monitoring the investments to the portfolio companies. These fees are billable in currencies other than sterling. However, the Designated Members monitor foreign exchange movements and take out forward contracts where necessary.

The current cash position, operating costs and cash flow projections are monitored on a regular basis. The Designated Members consider that the LLP has sufficient capital and revenues to meet its business requirements for a period of at least twelve months from the date of approval of these financial statements. The contractual and predictable revenue streams mean that the firm has sufficient time to take corrective action.

The LLP is authorised and regulated by the Financial Conduct Authority and reports its financial position to the regulator on a quarterly basis. The LLP and the Group have no loan facilities at present.



Nenad Marovac

Approved and signed on behalf of the Designated Members on 27 April 2022.

DN Capital (UK) LLP

Report of the Members for the year ended 31 December 2021

The Members have pleasure in presenting their report and the consolidated financial statements of DN Capital (UK) LLP (the "LLP") for the year ended 31 December 2021.

Principal activities

The consolidated financial statements comprise the financial statements of DN Capital (UK) LLP together with its subsidiary undertakings (the "Group"). The subsidiary undertakings are set out in note 1 to the financial statements.

The LLP and the Group's principal activity is to act as manager of six venture capital funds, including one fund raised during 2021. The LLP is authorised and regulated by the Financial Conduct Authority in the UK. DN Capital (US) Inc, its wholly owned subsidiary, is a SEC registered Exempt Reporting Advisor.

The review of the business is set out in the strategic report on page 2.

Members

The following Designated Members have held office throughout the reporting year:

Nenad Marovac
DN Capital Limited

The following Members have held office during the reporting year:

John Horton
Ragnar Jongen (resigned on 31 December 2021)
Ian Marsh
Teemu Mattila
Thomas Rubens
Guy Ward-Thomas
Susann Aulbach
Alessandro Babini (appointed on 1 May 2021)

The Members may only contribute to the LLP's capital in accordance with the terms of the LLP agreement.

Principal risks and uncertainties

The principal risks and uncertainties are set out in the strategic report on page 2.

Policy with respect to Members' drawings and the subscription and repayment of Members' capital

Profit share is paid to certain Members under the terms of the LLP agreement and represents an allocation of profits. Profits are allocated up to the aggregate guaranteed drawings within remaining profits allocated between Members in accordance with their profit-sharing percentages. The management committee may from time to time determine that all or part of any profits available for allocation between the Members be retained in a reserve account as a reserve against liabilities of the LLP.

Members may from time to time make drawings, which represent allocated profits paid on account. The level and timing of these distributions is determined by the Management Committee taking into account the LLP's cash requirements.

DN Capital (UK) LLP

Report of the Members for the year ended 31 December 2021 (Continued)

Statement of Members' responsibilities

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

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

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

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

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

Auditor

All of the current Members have taken all necessary steps to make themselves aware of any information needed by the LLP's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Members do not know of any relevant audit information of which the auditors are unaware.

A resolution to reappoint BDO LLP as auditors will be put to the Members at the Annual General Meeting.



Nenad Marovac

Approved and signed on behalf of the Designated Members on 27 April 2022.

DN Capital (UK) LLP

Report of the independent auditors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DN CAPITAL (UK) LLP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of DN Capital (UK) LLP ("the Limited Liability Partnership") for the year ended 31 December 2021 which comprise the consolidated statement of comprehensive income and retained earnings, the consolidated statement of financial position, the partnership statement of financial position, the consolidated cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Limited Liability Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members' 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 Limited Liability Partnership'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 Members with respect to going concern are described in the relevant sections of this report.

Other information

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

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.

Other Companies Act 2006 reporting as applied to limited liability partnerships

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

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

Responsibilities of Members

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

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

Auditor's responsibilities for the audit of the financial statements

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.

DN Capital (UK) LLP

Report of the independent auditors (Continued)

Extent to which the audit was capable of detecting irregularities, including fraud

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:

We gained an understanding of the legal and regulatory framework applicable to DN Capital (UK) LLP and the industry in which it operates and considered the risk of acts by DN Capital (UK) LLP which would be contrary to applicable laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the DN Capital (UK) LLP financial statements.

Our tests included, but were not limited to:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Enquiry of management;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and
- Considering the effectiveness of the control environment in monitoring compliance with laws and regulations.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Vanessa-Jayne Bradley (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, United Kingdom
27 April 2022

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

DN Capital (UK) LLP

Consolidated statement of comprehensive income and retained earnings for the year ended 31 December 2021

	Note	2021	2020
		£	£
Revenue	1	7,858,982	5,173,603
Administrative expenses		(3,187,529)	(1,866,194)
Operating profit	4	4,671,453	3,307,409
Interest receivable and similar income		4	29
Interest payable and similar charges		-	-
Profit on ordinary activities before taxation		4,671,457	3,307,438
Taxation on profit on ordinary activities	5	(421,585)	(7,955)
Profit for the financial year before Members' remuneration and profit shares		4,249,872	3,299,483
Members' remuneration charged as an expense	12	(3,563,052)	(2,806,504)
Profit for the financial year available for discretionary division among Members	12	686,820	492,979
Total retained earnings for the year		686,820	492,979
Total comprehensive income for the year available for discretionary division among Members		686,820	492,979

There is no other comprehensive income other than the results for the period disclosed above.
All of the activities of the Group are classed as continuing.

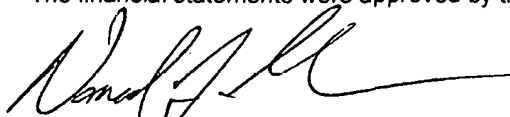
The notes on pages 12 to 22 form part of these financial statements.

DN Capital (UK) LLP

Consolidated statement of financial position at 31 December 2021

Registered No. OC324798	Note	2021	2021	2020	2020
		£	£	£	£
Non-current assets					
Property, plant and equipment	6	9,980		14,700	
Intangible asset	7	<u>1,162,770</u>		<u>665,776</u>	
			1,172,750		680,476
Current assets					
Debtors	9	1,022,707		642,687	
Cash and cash equivalents		<u>2,053,826</u>		<u>1,217,682</u>	
		3,076,533		1,860,369	
Creditors: amount falling due within one year	10	<u>(1,846,531)</u>		<u>(1,337,330)</u>	
Net current assets			1,230,002		523,039
Creditors: amount falling due after one year	11		<u>(701,125)</u>		<u>(231,970)</u>
Net assets attributable to Members			<u>1,701,627</u>		<u>971,545</u>
Represented by:					
Loans and other debts due to Members			144,196		80,902
Other Members' interests classified as equity			1,237,431		570,643
Members' capital classified as equity			<u>320,000</u>		<u>320,000</u>
			1,701,627		971,545
Total Members' interests					
Loans and other debts due to Members	12		144,196		80,902
Other reserves	12		1,237,431		570,643
Members' capital classified as equity	12		<u>320,000</u>		<u>320,000</u>
			1,701,627		971,545

The financial statements were approved by the Designated Members and authorised for issue on 27 April 2022.


Nenad Marovac

The notes on pages 12 to 22 form part of these financial statements.

DN Capital (UK) LLP

Partnership statement of financial position at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Non-current assets					
Property, plant and equipment	6	9,383		12,255	
Investment in subsidiary	8	<u>10,936</u>		<u>10,936</u>	
			20,319		23,191
Current assets					
Debtors	9	1,049,201		548,714	
Cash and cash equivalents		<u>849,047</u>		<u>496,388</u>	
		1,898,248		1,045,102	
Creditors: amount falling due within one year	10	<u>(1,454,371)</u>		<u>(650,590)</u>	
Net current assets			443,877		394,512
Net assets attributable to Members			<u>464,196</u>		<u>417,703</u>
Represented by:					
Loans and other debts due to Members	12		144,196		97,703
Members' capital classified as equity	12		320,000		320,000
			<u>464,196</u>		<u>417,703</u>
Total Members' interests					
Loans and other debts due to Members	12		144,196		97,703
Members' capital classified as equity	12		320,000		320,000
			<u>464,196</u>		<u>417,703</u>

The financial statements were approved by the Designated Members and authorised for issue on 27 April 2022.


Nenad Marovic

The notes on pages 12 to 22 form part of these financial statements.

DN Capital (UK) LLP

Consolidated statement of cash flows for the year ended 31 December 2021

	Note	2021	2020
		£	£
Cash flows from operating activities			
Profit for the financial year		4,249,872	3,299,483
Adjustments for:			
Depreciation and amortisation of non-current assets		469,235	104,203
Net interest receivable		(4)	(29)
Taxation expense		18,280	325
Increase in trade and other debtors		(163,546)	(397,335)
Increase/(decrease) in trade creditors		541,973	(390,292)
Taxation paid		(1,677)	(622)
Cash from operations		5,114,133	2,615,733
Members' drawings	12	(3,516,559)	(2,681,826)
Net cash generated/(absorbed by) from operating activities		1,597,574	(66,093)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(8,323)	(11,993)
Payments for an intangible asset		(745,126)	(76,784)
Cash flows from financing activities			
Interest received		4	29
Net increase/(decrease) in cash and cash equivalents		844,129	(154,841)
Cash and cash equivalents at beginning of year		1,217,682	1,362,754
Foreign exchange (losses)/gains		(7,985)	9,769
Cash and cash equivalents at end of year		2,053,826	1,217,682

The notes on pages 12 to 22 form part of these financial statements.

DN Capital (UK) LLP

Notes forming part of the financial statements for the year ended 31 December 2021

1 Accounting policies

The financial statements have been prepared on a going concern basis and in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, Companies Act 2006 as applied by the Partnership and the Statement of Recommended Practice (2018), 'Accounting by Limited Liability Partnerships'.

Parent LLP disclosure exemptions:

In preparing the separate financial statements of the parent LLP, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no statement of cash flows has been presented for the parent LLP;
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent LLP as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements present the results of DN Capital (UK) LLP and its subsidiaries ("the Group") as if they formed a single entity. Intergroup transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of subsidiaries using the acquisition method. In the statement of financial position, the acquiree's identifiable assets and liabilities are initially recognised at their fair values at the acquisition date. The results of subsidiary undertakings are included in the consolidated statement of comprehensive income and retained earnings from the date of acquisition. The subsidiary undertakings are disclosed in Note 8.

The Group excludes from consolidation the co-investment and carry partner interests including those in DN Capital – Global Venture Capital IV LP, registered in England & Wales and DNC GVC IV GP LP, which is registered in Scotland, and DN Capital – Global Venture Capital V SCSp and DN Capital GVC V SLP SCSp, which are both registered in Luxembourg, on the basis that DN Capital (UK) LLP does not have the power to govern the financial and operating policies, so as to obtain benefits from their activities.

As permitted by Section 408 of the Companies Act 2006, no separate statement of comprehensive income is presented for the LLP. The Group profit for the period includes a profit attributable to Members of £nil (2020: £nil) shown within the consolidated statement of financial position on page 9.

Going concern

The current cash position, operating costs and cash flow projections are monitored on a regular basis. The Designated Members consider that the LLP has sufficient capital and revenues to meet its business requirements for a period of at least twelve months from the date of approval of these financial statements. The contractual and predictable revenue streams mean that the firm has sufficient time to take corrective action.

Revenue

The revenue shown in the statement of comprehensive income represents the value of non recourse loans received as general partner share and investment advisory services recognised as earned during the year, exclusive of Value Added Tax. Performance fees are recognised at the end of the performance year to which they relate, at which time they become due and payable.

1 Accounting policies (continued)

Expenses

Expenses are accounted for on an accruals basis. The Partnership makes estimates and assumptions concerning the future. The members consider there to be no significant estimates judgements included in these accounts.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. All exchange differences are recognised in the statement of comprehensive income and retained earnings.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rate:

Computers and software – 50% straight line
Leasehold improvements – over the remaining period of the lease (straight line)

Intangible assets

Placement fees payable to obtain investor commitments are capitalised as intangible assets. These assets are amortised on a straight-line basis over a five-year period (which is consistent with the Investment Periods of the underlying fund). The carrying value is assessed for impairment at the end of each financial period with provisions made where necessary.

Operating leases

Annual rentals are charged to operating profit on a straight-line basis over the lease term.

Investments

Investments in property, plant and equipment, and subsidiaries are included at cost less any provision required for permanent diminution in value.

Financial assets

Financial assets, other than investments, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

Member's participation rights

Members' participation rights are the rights of a member that arise under the Members' agreement.

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity. A Members' participations rights results in a liability unless the right to any payment is discretionary on the part of the LLP.

1 Accounting policies (continued)*Member's participation rights (continued)*

Amounts subscribed or otherwise contributed by Members are classified as equity as it is intended to be maintained for regulatory capital adequacy requirements.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to the Members are in the nature of liabilities. They are therefore treated as an expense in the statement of comprehensive income and retained earnings in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the statement of financial position.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as residual amount available for discretionary division among Members in the statement of comprehensive income and retained earnings and equity appropriations in the statement of financial position.

Other amounts applied to Members. For example, remuneration paid under employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to Members that are classified as liabilities are presented in the statement of financial position within 'loans and other debts due to Members' and are charged to the statement of comprehensive income and retained earnings within 'Members' remuneration charged as an expense'. Amounts due to Members that are classified as equity are shown in the statement of financial position within 'Members' other interests'.

2 Information in relation to Members

Profits are allocated to Members and profits are shared by the Members after the end of the year in accordance with agreed profit and loss sharing arrangements governed by the LLP Agreement. The highest paid Member received £1,871,781(2020: £1,640,172).

	2021 Number	2020 Number
Average number of Members	10	8
	£	£
Average profit per Member (including Members' remuneration charged as an expense)	467,146	412,873

3 Employees costs and information

Group	2021 £	2020 £
Staff costs consist of:		
Wages and salaries	736,226	805,214
Social security costs	60,446	49,699
Pension	371,093	132,081
	<u>1,167,765</u>	<u>986,994</u>

DN Capital (UK) LLP**Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)****3 Employees costs and information (continued)****LLP**

	2021	2020
	£	£
Staff costs consist of:		
Wages and salaries	368,561	411,242
Social security costs	44,720	33,871
Pension	8,100	10,921
	<u>421,381</u>	<u>456,034</u>

The average number of employees working on behalf of the Group during the year was as follows:

	2021	2020
	Number	Number
Investment Management	5	3
Administration	5	5
	<u>5</u>	<u>5</u>

4 Operating profit

This has been arrived at after charging:

	2021	2020
	£	£
Auditors' remuneration for audit services	19,095	11,364
Depreciation	13,069	16,270
Amortisation of intangible assets	456,166	87,933
Cost for operating leases	329,318	268,746
	<u>817,648</u>	<u>484,313</u>

5 Taxation

Taxation for the LLP, being individual liability of each member, is not provided for in the individual LLP financial statements. Taxation is provided for in relation to the corporate entities in the Group.

	2021	2020
	£	£
Overseas taxation for current year	126,343	1,351
Deferred tax expense	296,919	-
Adjustments in respect of prior years	(1,677)	4,098
Luxembourg net wealth tax	-	2,506
	<u>421,585</u>	<u>7,955</u>

DN Capital (UK) LLP

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

5 Taxation (continued)

Total tax reconciliation in relation to overseas tax arising in DN Capital (US) Inc, DN Capital Germany GmbH, DN Capital – GVC V GP Sarl, DN Capital – GVC V TopCo Sarl.

	2021 £	2020 £
Profit on ordinary activities before tax	1,119,790	10,054
Current tax (Germany: 15%, Luxembourg: 24.9%, US: 21%)	304,841	1,813
Timing differences	106,322	(462)
Adjustment on prior year provision	10,422	-
Total tax charge (see above)	421,585	1,351

6 Property, plant and equipment

Group	Leasehold Improvements £	Computer equipment £	Total £
Cost			
At 1 January 2021	52,828	139,504	192,332
Additions	-	8,323	8,323
Foreign exchange revaluation	-	276	276
At 31 December 2021	52,828	148,103	200,931
Depreciation			
At 1 January 2021	52,499	125,133	177,632
Charge for the year	-	13,069	13,069
Foreign exchange revaluation	-	250	250
At 31 December 2021	52,499	138,452	190,951
Net book value			
At 31 December 2020	329	14,371	14,700
At 31 December 2021	329	9,651	9,980

DN Capital (UK) LLP

Notes forming part of the financial statements for the year ended 31 December 2021 *(Continued)*

6 Property, plant and equipment (continued)

LLP	Leasehold Improvements £	Computer equipment £	Total £
Cost			
At 1 January 2021	52,828	112,245	165,073
Additions	-	6,018	6,018
	<u>52,828</u>	<u>118,263</u>	<u>171,091</u>
At 31 December 2021			
Depreciation			
At 1 January 2021	52,499	100,319	152,818
Charge for the year	-	8,890	8,890
	<u>52,499</u>	<u>109,209</u>	<u>161,708</u>
At 31 December 2021			
Net book value			
At 31 December 2020	329	11,926	12,255
	<u>329</u>	<u>9,054</u>	<u>9,383</u>
At 31 December 2021			

7 Intangible assets

Group	Total £
Cost	
At 1 January 2021	753,709
Additions	992,941
Foreign exchange revaluation	(45,036)
	<u>1,701,614</u>
At 31 December 2021	
Amortisation	
At 1 January 2021	87,933
Charge for the year	456,166
Foreign exchange revaluation	(5,255)
	<u>538,844</u>
At 31 December 2021	
Net book value	
At 31 December 2020	665,776
	<u>1,162,770</u>
At 31 December 2021	

The Group incurred placement fees during the year in relation to fundraising for DN Capital – Global Venture Capital V SCSp.

DN Capital (UK) LLP

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

8 Investments in subsidiaries

The LLP acquired 12,000 shares with a cost of £10,324 (€12,000) during 2019 representing 100% of the share capital of DNC – GVC V (Top Co) Sarl, a company registered in Luxembourg. The total cost of investment is £10,936 (2020: £10,936).

The LLP's other wholly owned subsidiaries included within the group accounts comprise:

- DN Capital (US) Inc., a company incorporated in Delaware, USA;
- DN Capital GVC General Partner Limited, DN Capital Managing Member Limited, DN Capital Second Member Limited, DN Capital Third Member Limited and DNC – GVC IV GP LLP which are registered in Scotland; and
- DNC- GVC V GP Sarl, which is registered in Luxembourg.

The LLP also holds an indirect interest in DN Capital Germany GmbH, which is registered in Germany, via DN Capital (US) Inc.

9 Debtors

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Trade and other receivables	210,450	18,633	210,450	18,634
Amounts owed by related undertakings	323,687	451,586	485,276	408,434
Other debtors	411,305	94,452	276,210	43,630
Amounts due from Members	-	-	-	-
Prepayments and accrued income	77,265	78,016	77,265	78,016
	<u>1,022,707</u>	<u>642,687</u>	<u>1,049,201</u>	<u>548,714</u>

Group other debtors include £nil (2020: £18,893) in relation to rental deposits which are due in more than one year.

10 Creditors: amounts falling due within one year

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Trade and other payables	637,486	562,260	30,584	106,741
Deferred income	312,109	562,280	-	491,598
Other creditors	12,656	10,440	12,656	10,440
Amounts owed to related undertakings	566,150	7,856	1,369,992	3,311
Accruals	318,130	194,494	41,139	38,500
	<u>1,846,531</u>	<u>1,337,330</u>	<u>1,454,371</u>	<u>650,590</u>

DN Capital (UK) LLP

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

11 Creditors: amounts falling due after one year

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Trade and other payables	410,434	231,970	-	-
Deferred tax liability	290,691	-	-	-
	<u>701,125</u>	<u>231,970</u>	<u>-</u>	<u>-</u>

12 Reconciliation of movement in Members' interests

Group	Members' capital classified as equity	Other reserves	Loans and other debts due to/(from) to Members	Total
	£	£	£	£
Members' interests at 1 January 2021	320,000	570,643	80,902	971,545
Members' remuneration charged as an expense	-	-	3,563,052	3,563,052
Profit available for discretionary distribution among Members	-	686,820	-	686,820
	<u>320,000</u>	<u>1,257,463</u>	<u>3,643,954</u>	<u>5,221,417</u>
Drawings	-	-	(3,516,559)	(3,516,559)
Other movements	-	(20,032)	16,801	(3,231)
Members' interests at 31 December 2021	<u>320,000</u>	<u>1,237,431</u>	<u>144,196</u>	<u>1,701,627</u>

DN Capital (UK) LLP

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

12 Reconciliation of movement in Members' interests (continued)

Group	Members' capital classified as equity £	Other reserves £	Loans and other debts due to/(from) to Members £	Total £
Members' interests at 1 January 2020	320,000	75,759	(43,776)	351,983
Members' remuneration charged as an expense	-	-	2,806,504	2,806,504
Profit available for discretionary distribution among Members	-	492,979	-	492,979
	<u>320,000</u>	<u>568,738</u>	<u>2,762,728</u>	<u>3,651,466</u>
Drawings	-	-	(2,681,826)	(2,681,826)
Other movements	-	1,905	-	1,905
Members' interests at 31 December 2020	<u>320,000</u>	<u>570,643</u>	<u>80,902</u>	<u>971,545</u>

The balance for Loans and other debts due to/ (from) Members comprises the net of Loans and other debts due to Members equal to £158,745 (2020: £80,902) less Amounts due from Members equal to £nil (2020: £nil).

LLP	Members' capital classified as equity £	Other reserves £	Loans and other debts due to/ (from) Members £	Total £
Members' interests at 1 January 2021	320,000	-	97,703	417,703
Members' remuneration charged as an expense	-	-	3,563,052	3,563,052
	<u>320,000</u>	<u>-</u>	<u>3,660,755</u>	<u>3,980,755</u>
Drawings	-	-	(3,516,559)	(3,516,559)
Members' interests at 31 December 2021	<u>320,000</u>	<u>-</u>	<u>144,196</u>	<u>464,196</u>

DN Capital (UK) LLP

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

12 Reconciliation of movement in Members' interests (continued)

LLP	Members' capital classified as equity £	Other reserves £	Loans and other debts due to / (from) Members £	Total £
Members' interests at 1 January 2020	320,000	-	(26,976)	293,024
Members' remuneration charged as an expense	-	-	2,806,504	2,806,504
	320,000	-	2,779,528	3,099,528
Drawings	-	-	(2,681,825)	(2,681,825)
Members' interests at 31 December 2020	320,000	-	97,703	417,703

The balance for Loans and other debts due to/ (from) Members comprises the net of Loans and other debts due to Members equal to £158,745 (2020: £97,703) less Amounts due from Members equal to £nil (2020: £ nil).

13 Commitments under operating leases

The Group had total minimum commitments under non-cancellable operating leases as follows:

	2021			Total
	Not later than one year	Later than one year and not later than five years	Later than five years	
	£	£	£	£
Leasehold premises	242,352	123,842	-	366,194
Office equipment	1,000	1,750	-	2,750
	<u>243,352</u>	<u>125,592</u>	<u>-</u>	<u>368,944</u>
	2020			Total
	Not later than one year	Later than one year and not later than five years	Later than five years	
	£	£	£	£
Leasehold premises	215,570	63,792	-	279,362
Office equipment	1,000	2,750	-	3,750
	<u>216,570</u>	<u>66,542</u>	<u>-</u>	<u>283,112</u>

13 Commitments under operating leases (continued)

The LLP had total minimum commitments under non-cancellable operating leases as follows:

		2021			Total
		Not later than one year	Later than one year and not later than five years	Later than five years	
		£	£	£	£
Leasehold premises	132,358	44,119	-	-	176,477
Office equipment	1,000	1,750	-	-	2,750
	<u>133,358</u>	<u>45,869</u>	<u>-</u>	<u>-</u>	<u>179,227</u>

		2020			Total
		Not later than one year	Later than one year and not later than five years	Later than five years	
		£	£	£	£
Leasehold premises	132,358	-	-	-	132,358
Office equipment	1,000	2,750	-	-	3,750
	<u>133,358</u>	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>136,108</u>

14 Related party transactions

The Group acts as investment advisor to six venture capital funds. Total fees earned during the year amounted to £7,858,982 (2020: £5,173,603). The LLP also pays expenses on behalf of the funds and their general partners.

The balances outstanding at year end are disclosed within amounts due to and from related undertakings in Notes 9 and 10. £163,024 (2020: £263,495) is due from venture capital funds, with which the LLP or related parties has management contracts; £160,663 (2020: £188,091) is due from other associated entities that are subject to common control. The Group owes £566,150 (2020: £7,856) to venture capital funds and other associated entities.

15 Controlling party

The ultimate controlling party is Nenad Marovac.

16 Subsequent events

The Managing Members are monitoring closely the current conflict in Russia, Ukraine and Belarus and its effects on the global macroeconomic environment and the business. At the time of the publishing of these financial statements, there is no significant risk or exposure.