

## **VGF Advisers (UK) LLP**

Report and Financial Statements

Year Ended

31 December 2015

Partnership number OC330228



# **VGF Advisers (UK) LLP**

## **Report and Financial Statements for the year ended 31 December 2015**

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### **Contents**

#### **Page:**

1	Report of the Members
3	Profit and Loss Account
4	Balance Sheet
5	Notes Forming Part of the Financial Statements

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### **Members**

Shai Weiss  
Virgin Management Limited

### **Managing member**

VGF I Limited

### **Registered office**

The Battleship Building, 179 Harrow Road, London, W2 6NB

### **Partnership number**

OC330228

# **VGF Advisers (UK) LLP**

## **Report of the Members for the year ended 31 December 2015**

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The members present their report together with the financial statements for the year ended 31 December 2015.

### **Results**

The profit and loss account is set out on page 3 and shows the profit for the year.

### **Principal activities, review of the business and future developments**

The entity's principal activity is to provide advisory and administrative services to Virgin Green Fund I, L.P. "Virgin Green Fund".

### **Results for the year and allocation to members**

Profit for the year attributable to members was £80,690 (2014 – profit of £59,818).

### **Principal risks and uncertainties**

It is the member's opinion that there are no significant risks or uncertainties facing the LLP other than the systematic risk that exists in the financial sector.

### **Designated members**

The designated members during the year were:

Managing Member - VGF I Limited  
Class A Member - Virgin Management Limited  
Class B Member - Shai Weiss

### **Policy with respect to members' drawings and the subscription and repayment of members' capital**

#### *Allocations*

Net losses are allocated between members in accordance with their LLP percentages at the end of the accounting period.

Net income is allocated firstly to Class B Members and Residual Members in order to clear any Fixed Drawings Profit Shortfall from previous accounting periods and the current accounting period. Any excess net income will be allocated to the members, including Class B Members, pro rata to their LLP percentages at the end of the accounting period.

#### *Distributions*

Class B members are entitled to fixed drawings paid monthly, based on an amount determined annually by the Managing Member. No other member may be given an entitlement to fixed drawings. If the cumulative net income is less than the payments to Class B members, then in accordance with the LLP Agreement, the payments are treated as a non-interest bearing and non-recourse loan, not recoverable other than through the allocation of future net income. Any excess net income after such allocation shall be allocated between the members, including Class B members pro rata to their LLP percentages.

Distributions, other than fixed drawings and allocations of net income are agreed by the Managing Member and in proportion to the members LLP percentages.

# VGF Advisers (UK) LLP

## Report of the Members for the year ended 31 December 2015

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### Policy with respect to members' drawings and the subscription and repayment of members' capital (Continued)

#### Capital

Each member contributed to the capital of the LLP on their admission to the LLP. Additional capital was contributed during the period ended 31 December 2008. Each member's interest in the LLP is subject to a right of repurchase by the LLP. Upon cessation of membership of the LLP the repayment of capital contributions is at the discretion of the LLP.

In the event of the LLP being wound up, no member has agreed with other members that he shall contribute in any way to the assets of the LLP in accordance with section 74 of the insolvency act.

#### Members' responsibilities

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

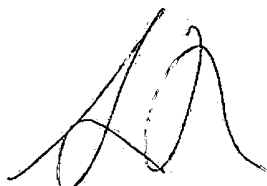
The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the financial statements in accordance with United 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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.

Approved by the members of the Limited Liability Partnership on 25 April 2016.



Shai Weiss  
Designated member

# VGF Advisers (UK) LLP

## Profit and Loss account for the year ended 31 December 2015

	Note	Year ended 31-Dec 2015 £	Year ended 31-Dec 2014 £
<b>Turnover</b>	2	<b>364,176</b>	<b>334,200</b>
Administrative expenses		<b>283,486</b>	<b>274,383</b>
		<hr/>	<hr/>
<b>Operating profit</b>	4	<b>80,690</b>	<b>59,817</b>
Other interest receivable and similar income	6	-	1
		<hr/>	<hr/>
<b>Profit for the financial year before members' remuneration and profit shares</b>	10	<b>80,690</b>	<b>59,818</b>
		<hr/>	<hr/>
<b>Profit the financial year before members' remuneration and profit shares</b>		<b>80,690</b>	<b>59,818</b>
Profit divided among members		<b>(80,690)</b>	<b>(59,818)</b>
		<hr/>	<hr/>
<b>Results for the financial year available for discretionary division among members</b>		-	-
		<hr/>	<hr/>

All amounts relate to continuing activities.

There are no other recognised gains or losses other than the results for the year.

There is no difference between the loss available for division amongst members and its historical cost equivalent.

The notes on pages 5 to 9 form part of these financial statements.

# VGF Advisers (UK) LLP

## Balance sheet At 31 December 2015

<b>Partnership number OC330228</b>	<b>Note</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2014</b>
<b>Fixed assets</b>					
Tangible assets	7		-		-
<b>Current assets</b>					
Debtors	8	1,168,294		1,306,582	
Cash at bank and in hand		<u>82,831</u>		<u>11,606</u>	
		1,251,125		1,318,188	
Creditors: amounts falling due within one year	9	<u>(155,412)</u>		<u>(222,475)</u>	
<b>Net current assets</b>			<u>1,095,713</u>		<u>1,095,713</u>
<b>Total assets less liabilities attributable to members</b>			<u>1,095,713</u>		<u>1,095,713</u>
<b>Represented by:</b>					
<b>Equity - Members' Other Interests</b>					
Members capital classified as equity under FRS 25			2,540,553		2,540,553
Other reserves	10		<u>(1,444,840)</u>		<u>(1,444,840)</u>
			<u>1,095,713</u>		<u>1,095,713</u>
<b>Total members' interest</b>					
Loan and other debts due from members	5		(1,063,131)		(1,143,821)
Members' other interests	10		<u>1,095,713</u>		<u>1,095,713</u>
			<u>32,582</u>		<u>(48,108)</u>

For the year ended December 31, 2015 the Limited Liability Partnership was entitled to exemption under section 477 of the Companies Act 2006 (as by Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small LLPs.

The members acknowledge their responsibility for complying with the requirements of the Companies Act 2006 (as applied to limited liability partnerships) with respect to accounts records and the preparation of accounts.

The financial statements were approved and authorised for issue by the members of the Limited Liability Partnership on 25 April 2016.



Shai Weiss  
Designated member

The notes on pages 5 to 9 form part of these financial statements.

# **VGf Advisers (UK) LLP**

## **Notes Forming Part of the Financial Statements for the year ended 31 December 2015**

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### **1 Accounting policies**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Limited Liability Partnerships.

The following principal accounting policies have been applied:

#### *Turnover*

The turnover shown in the profit and loss account represents amounts due for investment advisory services recognised on an accruals basis during the year.

#### *Members interest*

All amounts due to members are classified as equity or liabilities in accordance with FRS 25 and UITF 39.

#### *Depreciation*

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

Leasehold improvements	-	20% straight line
Computer equipment	-	33⅓% straight line

#### *Foreign currency*

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

#### *Leased assets*

All leases are operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

#### *Pension costs*

Contributions to the partnership's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

#### *Taxation*

Income tax payable on the LLP's profits is solely the personal liability of the individual Members and consequently is not dealt with in these financial statements.

#### *Financial Instruments*

The partnership uses forward foreign currency contracts to fix its exposure to fluctuations in foreign exchange rates. Any gains or losses from the forward foreign exchange contracts are taken to the profit and loss account on exercise. There were no financial commitments outstanding at year end.

### **2 Turnover**

Turnover is wholly attributable to the principal activity of the partnership and arises solely within the United Kingdom.

# VGF Advisers (UK) LLP

## Notes Forming Part of the Financial Statements for the year ended 31 December 2015

### 3 Employees

	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Staff costs consist of:		
Wages and salaries	-	25,268
Social security costs	-	-
Other pension costs	-	-
	<u>-</u>	<u>25,268</u>

The average number of employees, including members, during the year was nil (2014 - nil).

### 4 Operating profit

	Year ended 31 December 2015 £	Year ended 31 December 2014 £
This has been arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	-	1,798
Hire of other assets - operating leases	-	3,232
Foreign exchange loss / (gain)	(2,148)	(4,460)
	<u>(2,148)</u>	<u>(4,460)</u>

### 5 Members' loan account

	Year ended 31-Dec 2015 £	Year ended 31-Dec 2014 £
Non-interest bearing and non-recourse loan to Class B members during the year	1,063,131	1,143,821
	<u>1,063,131</u>	<u>1,143,821</u>

The Class B member's non-interest bearing and non-recourse loan, which represents Class B member's entitlement to payments in advance of drawings in the absence of sufficient profit, in accordance with the LLP agreement is not repayable by the member other than through the allocation of net income. This amount is disclosed in note 8.

### 6 Other interest receivable and similar charges

	Year ended 31-Dec 2015 £	Year ended 31-Dec 2014 £
Bank interest receivable	-	1
	<u>-</u>	<u>1</u>



# VGF Advisers (UK) LLP

## Notes Forming Part of the Financial Statements for the year ended 31 December 2015

### 7 Tangible asset

	Leasehold improvements £	Computer Equipment £	Total £
<i>Cost</i>			
At 1 January 2015	-	-	-
Additions	-	-	-
At 31 December 2015	-	-	-
<i>Depreciation</i>			
At 1 January 2015	-	-	-
Provided for the year	-	-	-
At 31 December 2015	-	-	-
<i>Net book value</i>			
At 31 December 2015	-	-	-
At 31 December 2014	-	-	-

### 8 Debtors

	2015 £	2014 £
Amounts owed by related parties (see note 11)	85,397	128,145
Member's loan account (see note 5)	1,063,131	1,143,821
Other tax and social security	-	-
Prepayments	-	19,426
Other debtors	19,766	15,190
<b>Total</b>	<b>1,168,294</b>	<b>1,306,582</b>

All amounts shown under debtors fall due for payment within one year. Except for the members loan account where the timing of the repayment is dependent on the level of net income in future years.

### 9 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	1,605	4,644
Amounts owed to related parties (see note 11)	87,742	167,947
Other Creditors	-	285
Accruals	66,065	49,599
<b>Total</b>	<b>155,412</b>	<b>222,475</b>

In the event of the LLP being wound up all remaining assets after the satisfaction of all creditors of the LLP shall be distributed to the members in accordance with the LLP agreement.

# VGF Advisers (UK) LLP

## Notes Forming Part of the Financial Statements for the year ended 31 December 2015

### 10 Reconciliation of movements in members' interest

	Members other interests				
	Members' capital classified as equity £	Other reserves £	Total £	Loans and other debts due from members £	Total £
Balance at 1 January 2015	2,540,553	(1,444,840)	1,095,713	(1,143,821)	(48,108)
Allocated profits for the year	-	-	-	80,690	80,690
Balance at 31 December 2015	2,540,553	(1,444,840)	1,095,713	(1,063,131)	32,582

All profits for the accounting period are distributable in accordance with the LLP Agreement.

### 11 Related party disclosures

#### Amounts due from Virgin Green Fund I, L.P.:

A total of £21,429 (2014- £89,721) is owed from Virgin Green Fund I, L.P., which is related through VGF I Limited the Managing Member of the LLP and the ultimate General Partner to the Fund.

#### *Advisory fee*

The LLP provides advisory services to the Virgin Green Fund I, L.P.. During the year the LLP charged \$550,000 (£364,176) for fees in respect of advisory services provided to the fund. The fee is based on charging the fund for advisory services rendered. The balance due as at 31 December 2015 was £Nil (2014 - £Nil).

#### *Recharges*

During the year the LLP recharged to Virgin Green Fund I, L.P., legal, professional costs and travel expenses amounting to £79,979 (2014 - £110,230). The balance due as at 31 December 2015 was £21,429 (2014 - £89,721).

#### Amounts due from Virgin Green Fund SPV, L.P. & Virgin Green Fund SPV-A, L.P. (combined "VGF SPV"):

During the year the LLP recharged £25,543 to VGF SPV (2014 - £38,424), which is related to recharges of legal, professional and travel expenses. The balance due as at 31 December 2015 was £63,967 (2014 - £38,424).

#### Amounts due to Virgin Management Limited:

A total amount of £87,742 (2014 - £167,947) was due to Virgin Management Limited, which is a member of the LLP, at 31 December 2015, due in relation to services rendered and in respect of balances settled on behalf of VGF Advisers (UK) LLP by Virgin Management Limited.

# **VGF Advisers (UK) LLP**

## **Notes Forming Part of the Financial Statements for the year ended 31 December 2015**

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### **12 Controlling party**

The LLP Agreement deems the management of the LLP to be vested in the Managing Member, VGF I Limited. VGF I Limited is owned by Corvina Holdings Limited, who owns 200 Class A Shares and Shai Weiss and Evan Lovell, who own 100 Class B shares each.

### **13 Cash flow statement**

The partnership has taken advantage of the small entities exemption from the requirement of Financial Reporting Standard No 1: 'Cash Flow Statements' to prepare a cash flow statement.