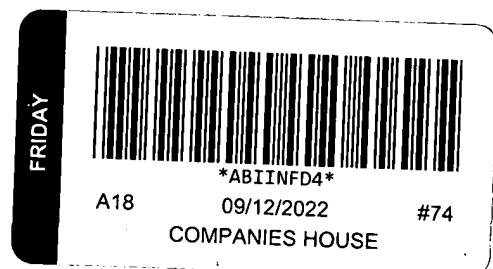


Limited Liability Partnership number: OC371330

HOTBED PORTFOLIO MANAGERS LLP

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



HOTBED PORTFOLIO MANAGERS LLP

**PARTNERSHIP INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022**

Company registration number OC371330

Registered office One Eleven
Edmund Street
Birmingham
West Midlands
B3 2HJ

Designated members Connection Capital LLP
Riverside Capital Group Limited

Accountants Grant Thornton UK LLP
Chartered Accountants
300 Pavilion Drive
Northampton Business Park
Northampton
NN4 7YE

HOTBED PORTFOLIO MANAGERS LLP

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FOR THE YEAR ENDED 31 MARCH 2022**

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**REPORT TO THE MEMBERS ON THE PREPARATION OF THE UNAUDITED STATUTORY
FINANCIAL STATEMENTS OF HOTBED PORTFOLIO MANAGERS LLP
FOR THE YEAR ENDED 31 MARCH 2022**

We have compiled the accompanying financial statements of Hotbed Portfolio Managers LLP ("the LLP") based on the information you have provided. These financial statements comprise the Balance Sheet of Hotbed Portfolio Managers LLP as at 31 March 2022 and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards including Section 1a of FRS 102, 'The Financial Reporting Standard applicable to smaller entities'. As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

This report is made solely to the LLP's members, as a body, in accordance with the terms of our engagement letter dated 4 March 2019. Our work has been undertaken solely to prepare for your approval the financial statements of the LLP and state those matters that we have agreed to state to the LLP's members, as a body, in this report in accordance with our engagement letter dated 4 March 2019. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body for our work or for this report.

Grant Thornton UK LLP

**GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
Northampton**

Date: 18/10/2022

HOTBED PORTFOLIO MANAGERS LLP

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Investments	4	5,380	5,380
Current assets			
Debtors	5	128,261	288,819
Cash and cash equivalents		194,245	34,026
		322,506	322,845
Creditors: amounts falling due within one year	6	(28,110)	(12,238)
Net current assets		294,396	310,607
Net assets attributable to members		299,776	315,987
Represented by:			
Loans and other debts due to members within one year			
Other amounts		299,676	315,887
Members' Capital			
Other reserves classified as equity		100	100
		299,776	315,987
Total members' interests			
Amounts due to members	8	299,676	315,887
Members' capital		100	100
		299,776	315,987

For the financial year in question the Limited Liability Partnership was entitled to exemption under section 477 of the Companies Act 2006 (as applied 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 accounting records and the preparation of accounts.

The entity has opted not to file the statement of comprehensive income in accordance with the provisions applicable to entities subject to the small LLPs regime.

HOTBED PORTFOLIO MANAGERS LLP

**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022**

These accounts have been prepared in accordance with small entity provisions of Financial Reporting Standard 102 1a.

These financial statements were approved by the members and authorised for issue on 18/10/2022 and are signed on their behalf by:

Darren Mitchell

Darren Mitchell
on behalf of Connection Capital LLP

Registered Number: OC371330

The accompanying accounting policies and notes form an integral part of these financial statements

HOTBED PORTFOLIO MANAGERS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Limited liability partnership

Hotbed Portfolio Managers LLP is a private Limited Liability Partnership, registered in England and Wales with registered number OC371330, and its registered office at One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ.

2 Principal accounting Policies

2.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, section 1a of the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and Statement of Recommended Practice: Accounting by Limited Liability Partnerships (LLPs SORP) 2018.

The Limited Liability Partnership has taken advantage of the exemption from preparing consolidated accounts on the grounds that it qualifies as a small group. These financial statements therefore only provide information about the LLP and not its group.

The financial statements are presented in £.

The following principal accounting policies have been applied:

2.2 Going concern

The members have assessed the Limited Liability Partnership's ability to operate as a going concern for a period in excess of 12 months from the date of signing the financial statements.

Whilst there remains some uncertainty as to the impact of macro-economic events, the members believe that it remains appropriate to continue to adopt the going concern basis in preparing these financial statements.

2.2 Turnover

The turnover shown in the Statement of Comprehensive Income comprises of three sources: fees arising from the monitoring and management of private equity investments, property management income and fees in relation to the sale of property. Ongoing monitoring and property management income is recognised on a monthly basis as services are performed in line with the agreements. Fees charged in relation to the sale of properties is recognised upon completion of the sale of the properties. All turnover is exclusive of VAT.

HOTBED PORTFOLIO MANAGERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

2.3 Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

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 member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

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 members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Balance Sheet.

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 a residual amount available for discretionary division among members in the Statement of Comprehensive Income and are equity appropriations in the Balance Sheet.

Other amounts applied to members, for example remuneration paid under an 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 Balance Sheet within 'Loans and other debts due to members' and are charged to Statement of Comprehensive Income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the Balance Sheet within 'Members' other interests'.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice if not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

HOTBED PORTFOLIO MANAGERS LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

2.5 Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transactions costs. Subject to initial recognition they are measured at amortised cost using the effective interest method, less any impairment.

Trade and other creditors are recognised initially at transaction price less attributable transactions costs. Subject to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

2.6 Investments

Investments in subsidiary undertakings and unlisted companies are held at cost less provision for impairment.

3 Employees

There were no employees during the year other than the designated members (2021: none).

4 Investments

	Investments in other unlisted companies £	Investments in subsidiary companies £	Total £
Cost (less impairment)			
At 1 April 2021 and 31 March 2022	<u>1</u>	<u>5,379</u>	<u>5,380</u>

5 Debtors: amounts falling due within one year

	2022 £	As restated 2021 £
Trade debtors	117,758	107,401
Other debtors	100	100
Amounts due from related parties	2,847	3,975
Prepayments and accrued income	<u>7,556</u>	<u>177,343</u>
	<u>128,261</u>	<u>288,819</u>

HOTBED PORTFOLIO MANAGERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and sundry creditors	23,317	7,756
Other taxation and social security	<u>4,793</u>	<u>4,482</u>
	<u><u>28,110</u></u>	<u><u>12,238</u></u>

7 Related party transactions

	2022 £	2021 £
Amounts due to Connection Capital Fund Managers Limited	10,810	-
Amounts due from Hotbed General Partner Limited	<u>2,847</u>	<u>3,975</u>

Connection Capital Fund Managers Limited and Hotbed General Partner Limited are subsidiaries of the LLP.

HOTBED PORTFOLIO MANAGERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

8 Loans and other debts due to members

	2022 £	2021 £
Amounts owed to members in respect of profits	<u>299,676</u>	<u>315,887</u>

The split of other amounts between members is as follows:

	2022		2021	
	Connection Capital LLP £	Riverside Capital Group Limited £	Connection Capital LLP £	Riverside Capital Group Limited £
Amounts due to members	<u>149,838</u>	<u>149,838</u>	<u>157,944</u>	<u>157,943</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

9 Prior year adjustment

A prior year adjustment has been processed to separately show members' capital of £100 in accordance with the LLP agreement.