

Mayfair Equity Partners LLP

31 March 2015

Report and Financial Statements

Registered Number OC393828

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EQUITY PARTNERS

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EQUITY PARTNERS

Members' Report

The Members have pleasure in presenting their report and financial statements of Mayfair Equity Partners LLP ("the Partnership") for the period from 18 June 2014 to 31 March 2015.

Principal activity and business review

The Partnership was incorporated on 18 June 2014 with its principal activity being the provision of investment management services to private equity funds. The Partnership became authorised and regulated by the Financial Conduct Authority ("FCA") on 25 March 2015.

The Partnership acts as the Manager for Mayfair Equity Partners I (comprising Mayfair Equity Partners I LP and Mayfair Equity Partners I Sidecar LP) which held its first closing on 2 April 2015.

Details of the results for the period are set out in the Income Statement on page 8.

The Partnership has adequate financial resources to meet its operational needs for the foreseeable future and a going concern basis has been adopted in preparing these financial statements.

D Sasaki and K Dasgupta were appointed as Designated Members of the Partnership on 18 June 2014, as defined in the Limited Liability Partnerships Act 2000. W Ahmad and B Aykroyd were appointed as Members of the Partnership on 2 April 2015.

Registered office

53 Davies Street
London
W1K 5JH

Financial statements

The state of affairs and results of the Partnership as at 31 March 2015 are shown on pages 8 to 15.

The Partnership's net assets as at 31 March 2015 amounted to £210,000.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Partnership are those inherent within the financial services industry, but primarily include:

- Credit risk – subject to counterparties not fulfilling their obligations and exposure from cash held at bank.
- Operational risk – subject to potential losses incurred from inadequate or failed internal and external processes, systems and human error or from external events.
- Regulatory risk – subject to the effects of changes in the laws, regulations, policies and interpretations and any accounting standards in the markets in which it operates.

All risks facing the Partnership and its subsidiaries are assessed regularly by the Partnership Board, together with the effectiveness of existing controls.

Members' Report (continued)

Policy with respect to Members' drawings and subscription and repayment of amounts subscribed or otherwise contributed by Members

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of the financial year, taking into account the anticipated cash needs of the Partnership. These drawings are recognised as an expense on a separate line in the Income Statement.

Profits available for discretionary division are divided only after a decision by the Executive Committee of the Partnership to allocate such profits and are treated as an allocation of profits to Members.

For as long as the Partnership is authorised and regulated by the FCA to conduct regulated activities, the Designated Members must ensure that the Partnership has capital at least equal to its Regulatory Capital and all such capital shall be held in a reserve known as the "Regulatory Capital Reserve".

The Partnership Board shall ensure that no distributions or other payments shall be made from or by the Partnership to its Members if, as a result of such distributions, the Partnership would no longer have sufficient Regulatory Capital. Capital may only be repaid to Members provided that Regulatory Capital is maintained by transfers into the Regulatory Capital Reserve by Members.

Statement of Members' responsibilities

The Members are responsible for preparing the Report and Financial Statements in accordance with applicable law and regulations.

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 ("the Regulations") requires the Members to prepare financial statements for each financial year. Under the law the Members have prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to limited liability partnerships 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 Partnership and of the profit or loss of the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

The Members who held office at the date of approval of this Members' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Partnership's auditors are unaware; and each Member has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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Members' Report (continued)

Independent auditors

PricewaterhouseCoopers LLP have been appointed under section 487(2) of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008.

Signed on behalf of the Members on 23 June 2015:



D Sasaki
Designated Member

Independent Auditors' Report to the Members of Mayfair Equity Partners LLP

Report on the financial statements

Our opinion

In our opinion, Mayfair Equity Partners LLP's financial statements (the "financial statements"):

- give a true and fair view of the state of the Partnership's affairs as at 31 March 2015 and of its result and cash flows for the period then ended (the "period");
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

What we have audited

Mayfair Equity Partners LLP's financial statements comprise:

- the Statement of Financial Position as at 31 March 2015;
- the Income Statement for the period then ended;
- the Statement of Changes in Equity for the period then ended;
- the Statement of Cash Flows for the period then ended; and
- the Notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the Members have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Independent Auditors' Report to the Members of Mayfair Equity Partners LLP (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Members

As explained more fully in the Statement of Members' responsibilities set out on page 4, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the Members of the Partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Designated Members; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Members' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Richard McGuire (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London

23 June 2015

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Income Statement

(stated in £)

| | Notes | Period ended 31 March 2015 |
|---|-------|-------------------------------|
| Turnover | 2 | - |
| Administrative expenses | 3,4 | - |
| Operating result | | - |
| Interest receivable and similar income | | - |
| Result for the period before Members' remuneration and profit shares | | - |
| Members' remuneration charged as an expense | 5 | - |
| Result for the period available for discretionary division amongst Members | | - |

All amounts were derived from continuing operations.

There are no material differences between the result for the period stated above and their historical cost equivalents.

No other comprehensive income was recorded during the period.

The notes on pages 12 to 15 form part of these financial statements.

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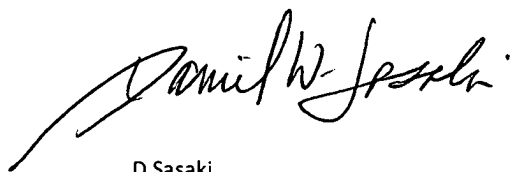
EQUITY PARTNERS

Statement of Financial Position

(stated in £)

| | | As at 31 March 2015 |
|--|-------|------------------------|
| | Notes | |
| Fixed assets | | |
| Tangible assets | 6 | - |
| | | - |
| Current assets | | |
| Debtors | 7 | 362,554 |
| Cash at bank and in hand | | 52,378 |
| | | 414,932 |
| Creditors: amount falling due within one year | 8 | (204,932) |
| Net current assets | | 210,000 |
| Total assets less current liabilities | | 210,000 |
| Net assets attributable to Members | | 210,000 |
| Represented by: | | |
| Loans and other debts due to Members | | |
| Other amounts | | 200,000 |
| | | 200,000 |
| Members' other interests | | |
| Members' capital classified as equity | | 10,000 |
| Members' other interests - other reserves classified as equity | | - |
| | | 210,000 |

These financial statements were approved by the Members on 23 June 2015 and signed on their behalf by:



D Sasaki
Designated Member

Registered Number: OC393828

The notes on pages 12 to 15 form part of these financial statements.

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EQUITY PARTNERS

Statement of Changes in Equity

(stated in £)

| | Equity | | Debt | Total |
|---|---------------------------------------|--|--|------------------|
| | Members' capital treated as equity | Other reserves classified as equity | Loans and other debts due to Members | 2014/15 Total |
| Balance as at 18 June 2014 | - | - | - | - |
| Member's remuneration charged as an expense | - | - | - | - |
| Result for the period available for discretionary division amongst Members | - | - | - | - |
| Members' interests after result for the period | - | - | - | - |
| Other division of profits | - | - | - | - |
| Introduced by Members | 10,000 | - | 200,000 | 210,000 |
| Drawings | - | - | - | - |
| Balance as at 31 March 2015 | 10,000 | - | 200,000 | 210,000 |

The notes on pages 12 to 15 form part of these financial statements.

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EQUITY PARTNERS

Statement of Cash Flows

(stated in £)

| | Notes | Period ended 31 March 2015 |
|---|----------|-------------------------------|
| Net cash outflow from operating activities | A | <u>(157,622)</u> |
| Investing activities | | |
| Purchase of tangible fixed assets | | - |
| Net cash outflow from investing activities | | <u>-</u> |
| Financing activities | | |
| Introduced by Members | | 210,000 |
| Members' drawings | | - |
| Net cash outflow from financing activities | | <u>210,000</u> |
| Increase in net cash | B | 52,378 |

NOTES

A. Cash flow from operating activities

| | |
|--|-------------------------|
| Result for the period before Members' remuneration and profit shares | - |
| Depreciation | - |
| Increase in debtors | (362,554) |
| Increase in creditors | 204,932 |
| Net cash outflow from operating activities | <u>(157,622)</u> |

B. Reconciliation of cash flow to movement in net cash

| | |
|------------------------------------|----------------------|
| Net cash at start of the period | - |
| Increase in net cash in the period | 52,378 |
| Balance at 31 March 2015 | <u>52,378</u> |

The notes on pages 12 to 15 form part of these financial statements.

Notes to the Financial Statements

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable UK Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and the Companies Act 2006 as applied to Limited Liability Partnerships under the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' ("SORP") issued in July 2014.

The principal accounting policies, which have been consistently applied throughout the period, are set out below.

(b) Consolidation

In the opinion of the Members, the Partnership and its subsidiary undertakings comprise a small group. The Partnership has therefore taken advantage of the exemption provided by Section 398 of the Companies Act.

(c) Turnover

Turnover, which is stated net of Value Added Tax and accounted for on an accruals basis, represents management fees received from the General Partner of the limited partnerships that collectively comprise Mayfair Equity Partners I, to which the Partnership provides investment advice and fund management services.

Turnover also includes income derived from arrangement fees and monitoring fees, which are recognised on an accruals basis when the associated services are provided.

(d) Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|------------------------|---------------|
| Computer equipment: | 25% per annum |
| Office equipment: | 20% per annum |
| Fixtures and fittings: | 20% per annum |

(e) Operating leases

Operating lease rentals are charged to the Income Statement on a straight line basis over the period of the lease.

(f) Members' participation rights

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

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

Notes to the Financial Statements (continued)

Where profits are automatically divided as they arise, so the Partnership 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 Income Statement. To the extent that they remain unpaid at the period end, they are shown as liabilities in the Statement of Financial Position.

Profits available for discretionary division are divided only after a decision by the Executive Committee of the Partnership to allocate such profits and are shown as a residual amount available for discretionary division amongst Members in the Income Statement and are equity appropriations in the Statement of Financial Position.

Where the Partnership incurs a loss, no Member shall be obliged to make any further capital or loan contributions to the Partnership to cover any loss allocated to the Members which may be allocated at the discretion of the Executive Committee of the Partnership.

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'. Amounts due to Members that are classified as equity are shown in the Statement of Financial Position within 'Members' other interests'.

(g) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the Statement of Financial Position. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

(h) Administrative expenses

Administrative expenditure is accounted for on an accruals basis.

(i) Taxation

The Partnership is not subject to taxation since the Members are individually responsible for taxation of their share of the profits from the Partnership.

2 Turnover

An analysis of turnover is given below:

| | Period ended 31 March 2015 £ |
|----------------|------------------------------------|
| United Kingdom | - |

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Notes to the Financial Statements (continued)

3 Administrative expenses

There were no administrative expenses recorded during the period.

Fees payable to the Partnership's auditors:

Period ended
31 March 2015
£

| | |
|--|--------|
| Fees payable to the Partnership's auditors for the audit of the Partnership financial statements | 12,500 |
|--|--------|

Fees payable to the Partnership's auditors for other services:

| | |
|------------------------------|---------------|
| Taxation compliance services | 12,500 |
| | <u>25,000</u> |

These fees are not included in the Income Statement as they were borne by related undertakings.

4 Staff costs

There were no payroll costs incurred during the period.

5 Members' remuneration

The aggregate emoluments of the highest paid Member was £nil. The average number of Members during the period was 2.

6 Tangible assets

There were no tangible assets recorded at the period end.

7 Debtors

As at
31 March 2015
£

| | |
|--------------------------------------|----------------|
| Amounts owed by related undertakings | 362,554 |
| | <u>362,554</u> |

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Notes to the Financial Statements (continued)

8 Creditors

As at
31 March 2015
£

| | |
|-----------------|----------------|
| Trade creditors | 64,932 |
| Other creditors | 140,000 |
| | <u>204,932</u> |

9 Related party transactions

All the Members of the Partnership are related parties as a result of their membership of the Partnership. All the Members play a part in the management of the Partnership and it is not controlled by any entity, individual or group of individuals who are not Members.

There was no management fee income from Mayfair Equity Partners I (comprising Mayfair Equity Partners I LP and Mayfair Equity Partners I Sidecar LP) during the period.

At the period end, the Partnership was owed £362,554 by Mayfair Equity Partners I for the reimbursement of expenses.

The principal activity of the Partnership is the provision of investment management services to private equity funds. In its capacity as Manager, the Partnership has transactions with these private equity funds, all of which are in the normal course of business and have been fully disclosed above.