

Limited Liability Partnership Registration No. OC412653 (England and Wales)

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

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REAL ESTATE VENTURE CAPITAL INVESTORS LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

A J Pettit
W J Killick
F Guiraud
N A West

Limited liability partnership number

OC412653

Registered office

Second Floor
60 Charlotte Street
London
W1T 2NU

Auditors

UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

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REAL ESTATE VENTURE CAPITAL INVESTORS LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The members present their report and the financial statements for the year ended 30 April 2023.

Principal activities and review of the business

Real Estate Venture Capital Investors LLP is the parent of a group whose principal activity is providing regulated investment advisory services to and acting as general partner to eight Jersey, one Guernsey, ten UK and one Isle of Man registered limited partnerships involved in property investment.

Principal risks and uncertainties

The group's future income is dependent on both its existing fund clients and the closing of new funds to which it can provide investment advice. This is very much dependent on the company retaining a high quality team to enable it to provide high quality investment advice.

The group has developed and the board has formally adopted a robust corporate governance policy and corporate structure to enable the company to effectively manage its business and provide accountability to its shareholder and clients.

Fair review of the business

During the year the group owned a company that provided regulated investment advisory services to a number of property investment vehicles.

Turnover for the year was £16,615,223 (2022: £18,510,151) and is a key performance indicator for the group.

The results for the year and financial position at the end of the year were considered satisfactory by the members, who envisage improved trading to continue into the next financial year.

No events have occurred since the balance sheet date which significantly affects the limited liability partnership.

Designated members

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

A J Pettit
W J Killick
F Guiraud
N A West

Policy on members' drawings

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business.

A member's capital requirement is linked to their share of profit and the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Statement of members' responsibilities

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law 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 company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 the group and of the profit or loss of the limited liability partnership and group for that year. In preparing those 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;
- 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 and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the group and the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

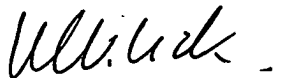
Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditors are unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the limited liability partnership's auditors are aware of that information.

Auditors

The auditors, UHY Hacker Young, were re-appointed under section 487(2) of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

On behalf of the members



W J Killick
Designated Member

28 March 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REAL ESTATE VENTURE CAPITAL INVESTORS LLP

Opinion

We have audited the financial statements of the parent, Real Estate Venture Capital Investors LLP (the 'Limited Liability Partnership') and its subsidiaries together (the 'group') for the year ended 30 April 2023, which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Limited Liability Partnership Statement of Financial Position, the Consolidated Statement of Members' Interests, the Limited Liability Partnership Statement of Members' Interests, the Consolidated Statement of Cash Flows and the related notes to the financial statements including a summary of the significant accounting policies. The financial reporting framework that has been applied in their preparation 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' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and Limited Liability Partnership's affairs as at 30 April 2023 and of the group's 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 as applied to Limited Liability Partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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

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 statement 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 entity'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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REAL ESTATE VENTURE CAPITAL INVESTORS LLP

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

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.

Matters on which we are required to report by exception

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 by the Limited Liability Partnership, 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 directors either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REAL ESTATE VENTURE CAPITAL INVESTORS LLP

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Group, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. Revcap Advisors Limited, a subsidiary within the group is regulated by the FRC so we have assessed whether the Company has complied with FCA rules and filing returns. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We have enquired with management whether all relevant laws and regulations have been adhered to and evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the financial conduct authority, review of correspondence with legal advisors, enquiries of management and review of internally generated compliance documentation, and testing of journals and evaluating whether there was evidence of bias by the members that represented a risk of material misstatement due to fraud.

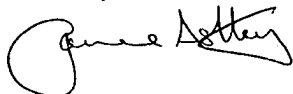
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

TO THE MEMBERS OF REAL ESTATE VENTURE CAPITAL INVESTORS LLP

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with part 3 of Chapter 16 of the Companies Act 2006 as applied to Limited Liability Partnerships (Accounts and Audit) (Application of 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 Limited Liability 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.



James Astley (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

Chartered Accountants
Statutory Auditor

28 March 2024
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REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 APRIL 2023**

	Notes	2023 £	2022 £
Turnover	3	16,615,223	18,510,151
Cost of sales		(14,881,891)	(16,495,057)
Gross profit		1,733,332	2,015,094
Administrative expenses		(1,686,634)	(1,581,385)
Operating profit	4	46,698	433,709
Investment income	5	30,271	2,327
Share of joint venture profit	9	245,981	5,500
Profit on ordinary activities before taxation		322,950	441,536
Tax on profit on ordinary activities		2,364	(83,851)
Profit for the year after taxation and before members' remuneration and profit shares		325,314	357,685
Members' remuneration charged as an expense		-	-
Retained profit for the financial year available for discretionary division among members		325,314	357,685

The income statement has been prepared on the basis that all operations are continuing.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2023**

	2023	2022
	£	£
Profit for the financial year	325,314	357,685
Other comprehensive income	-	-
	<u>325,314</u>	<u>357,685</u>
Total comprehensive income for the year	<u><u>325,314</u></u>	<u><u>357,685</u></u>
Total comprehensive income attributable to:		
Members of the parent	323,633	356,005
Non-controlling interests	1,681	1,680
	<u>325,314</u>	<u>357,685</u>

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2023**

	Notes	£	2023 £	£	2022 £
Fixed assets					
Investments	8		7,598		7,598
Investments in joint ventures	9		251,591		5,610
Current assets					
Debtors	12	3,091,965		3,066,158	
Cash at bank and in hand		2,624,727		1,225,626	
			5,716,692	4,291,784	
Creditors: amounts falling due within one year	13	(4,233,238)		(2,887,663)	
Net current assets			1,483,454		1,404,121
Total assets less current liabilities			1,742,643		1,417,329
REPRESENTED BY:					
Loans and other debts due to members					
Other amounts			385,250		385,250
Equity - Members' other interests:					
Members' capital classified as equity			1,000		1,000
Other reserves			1,340,122		1,016,489
Non-controlling interests			16,271		14,590
			1,742,643		1,417,329

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 APRIL 2023

	2023 £	2022 £
TOTAL MEMBERS' INTERESTS		
Loans and other debtors due to members	385,250	385,250
Members' other interests	1,341,122	1,017,489
	<hr/>	<hr/>
Non-controlling interest	16,271	14,590
	<hr/>	<hr/>
	<u>1,742,643</u>	<u>1,417,329</u>

The financial statements were approved by the members and authorised for issue on 28 March 2024
and are signed on their behalf by:



.....
W J Killick
Designated Member

Limited Liability Partnership Registration No. OC412653

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**LIMITED LIABILITY PARTNERSHIP STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2023**

	Notes	£	2023 £	£	2022 £
Fixed assets					
Investments	10		386,250		386,250
Current assets					
Debtors	12	-		-	
Creditors: amounts falling due within one year	13	-		-	
Net current assets/(liabilities)			-		-
Total assets less current liabilities			386,250		386,250
REPRESENTED BY:					
Loans and other debts due to members					
Other amounts			385,250		385,250
Equity - Members' other interests:					
Members' capital classified as equity			1,000		1,000
Amounts due in respect of profits			-		-
			386,250		386,250
TOTAL MEMBERS INTERESTS					
Loans and other debts due to members			385,250		385,250
Members' other interests			1,000		1,000
			386,250		386,250

The financial statements were approved by the members and authorised for issue on 28 March 2024 and are signed on their behalf by:


.....
W J Killick
Designated Member

Limited Liability Partnership Registration No. OC412653

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED STATEMENT OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 30 APRIL 2023**

Group

	Members' other Interests			Loans and other debts due to/(from) members		Non- controlling interest	
	Members' capital	Other reserves	Total		Total		Total
	£	£	£	£	£	£	£
Members' interests at 1 May 2022	1,000	1,016,489	1,017,489	385,250	385,250	14,590	1,417,329
Profit for the year available for division among members	-	323,633	323,633	-	-	1,681	325,314
Members' interests after profit for the year	1,000	1,340,122	1,341,122	385,250	385,250	16,271	1,742,643
Members' interests at 30 April 2023	1,000	1,340,122	1,341,122	385,250	385,250	16,271	1,742,643

In the event of a winding up the amounts included in "Loans and other debts due to/(from) members" will rank equally with unsecured creditors.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP**LIMITED LIABILITY PARTNERSHIP STATEMENT OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 30 APRIL 2023****Limited Liability Partnership**

	Members' other Interests		Total £	Loans and other debts due to/ (from) members £	Total £
	Members' Capital £	Other reserves £			
Members' interests at 1 May 2022	1,000	-	1,000	385,250	386,250
Profit for the year available for division among members	-	-	-	-	-
Members' interests after profit for the year	1,000	-	1,000	385,250	386,250
Members' interests at 30 April 2023	1,000	-	1,000	385,250	386,250

In the event of a winding up the amounts included in "Loans and other debts due to/(from) members" will rank equally with unsecured creditors.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2023**

	Note	£	2023 £	£	2022 £
Cash flows from operating activities					
Net inflow/(outflow) from operating activities	14		1,432,083		(2,645,050)
Tax paid			(63,253)		(27,280)
Net cash generated from operating activities			1,368,830		(2,672,330)
Investing activities					
Investment income		30,271		2,327	
Investment in limited partnerships		-		(3,731)	
Net cash generated from investing activities			30,271		(1,404)
Financing activities					
Capital invested by members		-		-	
Net cash outflow from financing			-		-
Net increase/(decrease) in cash in the year			1,399,101		(2,673,734)
Cash and cash equivalents at beginning of year			1,225,626		3,899,360
Cash and cash equivalents at end of year			2,624,727		1,225,626
Relating to:					
Cash at bank			2,624,727		1,225,626

Analysis of changes in net debt

	At 30 April 2022 £	Cash flows £	At 30 April 2023 £
Cash and cash equivalents:			
Cash at bank and in hand	1,225,626	1,399,101	2,624,727

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

Limited liability partnership information

Real Estate Venture Capital Investors LLP is a limited liability partnership incorporated in England and Wales. The registered office is Second Floor, 60 Charlotte Street, London, W1T 2NU.

The group consists of Real Estate Venture Capital Investors LLP and all of its subsidiaries.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applied by LLPs.

The financial statements are prepared in Sterling (£), which is the functional and presentational currency of the limited liability partnership. The group financial statements consolidate the financial statements of Real Estate Venture Capital Investors LLP and its subsidiary undertakings drawn up to 30 April each year.

1.3 Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of the LLP and all its subsidiaries, accounted for using the purchase method. Intra-group sales, profits and balances are eliminated fully on consolidation.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values, reflecting their condition at that date. All changes to those assets and liabilities and resulting gains and losses, that arise after the group has gained control, are charged to the post-acquisition profit and loss account.

1.4 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

The group provides investment advisory services to real estate funds. In these times of uncertainty, advisory services are not as susceptible to falls in demand as other industries. To date there have been no noticeable challenges requiring changes to the business strategy and the group however, this is being closely monitored. Therefore, the members have prepared Real Estate Venture Capital Investors LLP financial statements on the basis that it is a going concern. The members are continuing to monitor the situation and are satisfied that the LLP will have sufficient operating cashflow in the next 12 months in order to continue as a going concern.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies (continued)

1.5 Turnover

Group turnover represents amounts reimbursed for investment advisory fees and expenditure incurred during the year, net of value added tax.

1.6 Members' participating interests

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, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

1.7 Goodwill

Purchased goodwill (representing the excess of fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions is capitalised. Goodwill is amortised by equal annual instalments over its estimated useful life.

Negative goodwill arising on consolidation in respect of acquisitions is included within fixed assets and released to the profit and loss account in the periods in which the fair values of the non-monetary assets purchased on the same acquisition are recovered, whether through depreciation or sale.

1.8 Fixed asset investments

Investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies (continued)

1.9 Joint ventures

Investments in joint ventures are accounted for using the equity method. The investment in the joint venture is initially recorded at cost and subsequently adjusted to reflect the share of post-acquisition profit or loss, other comprehensive income and equity.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

1 Accounting policies (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Judgements and key sources of estimation uncertainty

In the application of the accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

The members have not identified any estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

3 Turnover

	2023 £	2022 £
An analysis of the group's turnover is as follows:		
Investment advisory fees	5,071,224	7,875,751
Other income	11,543,999	10,634,400
	<u>16,615,223</u>	<u>18,510,151</u>

4 Operating profit

	2023 £	2022 £
Operating profit is after charging/(crediting):		
Operating lease charges	460,994	461,029
Fees payable to the LLP's auditor for:		
The audit of the LLP's annual accounts	10,500	8,500
The audit of the LLP's subsidiaries, pursuant to legislation	23,950	20,800
	<u>23,950</u>	<u>20,800</u>

5 Investment income, interest receivable and similar income

	2023 £	2022 £
Investment income	30,271	2,327
	<u>30,271</u>	<u>2,327</u>

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

6 Taxation

	2023	2022
	£	£
Current year tax		
UK corporation tax	17,976	83,851
Adjustments in respect of prior periods	(20,340)	-
	<u> </u>	<u> </u>
Total current tax	<u><u>(2,364)</u></u>	<u><u>83,851</u></u>
	2023	2022
	£	£
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	332,950	441,536
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of UK corporation tax of 19.49% (2022: 19%)	64,892	83,892
Adjustments in respect of prior years	(20,340)	-
Other tax adjustments	(46,916)	(41)
	<u> </u>	<u> </u>
Current tax (credit)/charge	<u><u>(2,364)</u></u>	<u><u>83,851</u></u>

7 Employees

The average monthly number of persons (including members) employed by the group during the year was:

2023	2022
Number	Number
8	8
<u> </u>	<u> </u>

8 Investments

The investments held by the group relate to investments held by the general partners as part of their investment advisory agreements, with a carrying amount of £7,598 (2022: £7,598), measured at cost less impairment.

REAL ESTATE VENTURE CAPITAL INVESTORS LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023****9 Investments in joint ventures**

The carrying value of the group's investment in joint ventures was as follows:

	2023
	£
At 1 May 2022	5,610
Additions	-
Attributable earnings	3,543,263
Investment income	(3,543,263)
Share of profit	245,981
	<hr/>
At 30 April 2023	<u>251,591</u>

The group holds a 55% equity investment in NBKC Whitehawk Limited and NBKC Whitehawk GP Limited, both unlisted entities. The investments are accounted for using the equity method.

10 Fixed asset investments

Real Estate Venture Capital Investors LLP has a direct investment with 100% holding in Revcap Advisors Limited and an indirect investment in the other subsidiaries.

The principal activity of Revcap Advisors Limited is that of providing regulated investment advisory services.

The following are subsidiary undertakings of Revcap Advisors Limited, with a principal activity of managing investments in property investments:

Name of undertaking	Registered office	Nature of business	Class of shareholding	% Held Direct
Goshawk GP Limited	Isle of Man	General partner to a limited partnership	Ordinary	51.00
Hawkeye GP Limited	Jersey	General partner to a limited partnership	Ordinary	51.00
Hawkeye GP II Limited	Jersey	General partner to a limited partnership	Ordinary	100.00
Kitty Hawk Capital Partners II GP Limited	Jersey	General partner to a limited partnership	Ordinary	100.00
Kitty Hawk Capital Partners III GP Limited	Jersey	General partner to a limited partnership	Ordinary	100.00
Kitty Hawk Capital Partners IV GP Limited	Jersey	General partner to a limited partnership	Ordinary	100.00
Kitty Hawk Capital Partners V GP Limited	Jersey	General partner to a limited partnership	Ordinary	100.00

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 APRIL 2023**

10 Fixed asset investments (continued)

Revcap (Whiteberry) Limited	England	General partner to a limited partnership	Ordinary	100.00
Revcap (Whiteberry II) Limited	England	General partner to a limited partnership	Ordinary	100.00
Sparrowhawk GP Limited	Jersey	General partner to a limited partnership	Ordinary	51.00
Sparrowhawk IV GP Limited	Jersey	General partner to a limited partnership	Ordinary	51.00
Sparrowhawk V GP Limited	Jersey	General partner to a limited partnership	Ordinary	100.00

Hawkeye GP II Limited has an effective holding of 65% in the following company, which is incorporated in Jersey, with the principal activity of being a trustee in a unit trust:

Name of undertaking	Registered office	Nature of business shareholding	Class of	% Held Indirect
Hawkeye Capital Partners II Trustee Limited	Jersey	Trustee of a unit trust	Ordinary	65.00

11 Financial Instruments

	Group 2023 £	LLP 2023 £	Group 2022 £	LLP 2022 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	376,812	-	631,172	-
Investments measured at cost less impairment	7,598	-	7,598	-
Carrying amount of financial liabilities				
Measured at amortised cost	4,215,261	-	2,804,070	-

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

12 Debtors

	Group 2023 £	LLP 2023 £	Group 2022 £	LLP 2022 £
Trade debtors	69,440	-	323,163	-
Amounts owed by related companies	1,329,443	-	1,334,592	-
Other debtors	921,620	-	799,532	-
Prepayments and accrued income	771,462	-	608,871	-
	<u>3,091,965</u>	<u>-</u>	<u>3,066,158</u>	<u>-</u>

13 Creditors: amounts falling due within one year

	Group 2023 £	LLP 2023 £	Group 2022 £	LLP 2022 £
Trade creditors	146,685	-	5,269	-
Amounts owed to related companies	3,870,165	-	2,638,278	-
Corporation tax	17,977	-	83,594	-
Other creditors	44,098	-	136	-
Accruals and deferred income	154,313	-	160,386	-
	<u>4,233,238</u>	<u>-</u>	<u>2,887,663</u>	<u>-</u>

14 Cash generated from operations

	Group 2023 £	Group 2022 £
Profit for the year after tax	325,314	357,685
Adjustments for:		
Taxation charged	(2,364)	83,851
Investment income	(30,271)	(2,327)
Share of joint venture profit	(245,981)	(5,500)
Movement in working capital:		
Increase in debtors	(25,807)	(643,282)
Increase/(Decrease) in creditors within one year	1,411,192	(2,435,477)
Cash inflow/(outflow) from operating activities	<u>1,432,083</u>	<u>(2,645,050)</u>

REAL ESTATE VENTURE CAPITAL INVESTORS LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

15 Information in relation to members

	2023 Number	2022 Number
The average number of members during the year was:	8	8

The limited liability partnership had 8 members with 4 of those being designated members.

16 Operating lease commitments

Lessee

Revcap Advisors Limited holds an operating lease for its office which expires in 2024.

At the reporting end date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	426,847	512,216
Between two and five years	-	426,847
In over five years	-	-
	<u>426,847</u>	<u>939,063</u>

17 Control

The limited liability partnership is controlled by its members. The group is not under the control of any one person or entity.

18 Related party relationships and transactions

During the year Revcap Advisors Limited was charged £14,536,505 (2022: £16,386,100) for the provision of directors, accounting, compliance monitoring, administration and transaction monitoring services, and £345,386 (2022: £108,957) for unallocated promote fees from limited partnerships by Real Estate Venture Capital Management LLP. As at the balance sheet date Revcap Advisors Limited owed £3,657,679 (2022: £2,344,701) to Real Estate Venture Capital Management LLP. The directors of Revcap Advisors Limited, A J Pettit, W J Killick and N A West are designated members of Real Estate Venture Capital Management LLP.

During the year Revcap Advisors Limited charged investment advisory fees of £400,000 (2022: £400,000) to Ark Data Centres Limited, Ark Cody Park Newco Limited, Ark Estates Spring Park Limited and Ark Estates Cody Park Limited who are considered related parties as A J Pettit is a director of these companies and they are all 100% owned subsidiaries of Ark Capital Partners I LP.

During the year Revcap Advisors Limited charged investment advisory and property management fees of £nil (2022: £2,188) to KH Revcap (Ipswich) Limited who are considered a related party as A J Pettit is a director of the company and it is a 100% owned subsidiary of Revcap (KH I) Limited, whose ultimate controlling parent is Real Estate Venture Capital Partners LLP. The directors of the company, AJ Pettit and W J Killick, are designated members of Real Estate Venture Capital Partners LLP. At the balance sheet date, Revcap Advisors was owed £581 (2022: £581) by KH Revcap (Ipswich) Limited.