
IQ CAPITAL PARTNERS LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2023

IQ CAPITAL PARTNERS LLP
REGISTERED NUMBER: OC331235

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	As at 31 March 2023 £	Unaudited As at 31 March 2022 £
FIXED ASSETS			
		184,758	
Tangible assets	5		210,545
Investments	6	50,023	50,021
		<hr style="width: 100%;"/>	
		234,781	<hr style="width: 100%;"/>
			260,566
CURRENT ASSETS			
		499,940	2,847,698
Debtors: amounts falling due within one year	7		
Cash and cash equivalents		1,095,030	115,153
		<hr style="width: 100%;"/>	
		1,594,970	2,962,851
CURRENT LIABILITIES			
		(494,096	(1,630,906
Creditors: amounts falling due within one year	8))
		<hr style="width: 100%;"/>	
		1,100,874	
NET CURRENT ASSETS			
			1,331,945
		<hr style="width: 100%;"/>	
		1,335,655	<hr style="width: 100%;"/>
TOTAL ASSETS LESS CURRENT LIABILITIES			
			1,592,511
		<hr style="width: 100%;"/>	
		1,335,655	<hr style="width: 100%;"/>
NET ASSETS			
REPRESENTED BY:			
TOTAL MEMBERS' INTERESTS			
		1,330,099	1,587,511
Loans and other debts due to members			
Members' other interests		5,556	5,000
		<hr style="width: 100%;"/>	
		1,335,655	<hr style="width: 100%;"/>
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		1,335,655	1,592,511

IQ CAPITAL PARTNERS LLP
REGISTERED NUMBER: OC331235

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2023

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

The entity has opted not to file the profit and loss account in accordance with the provisions applicable to entities subject to the small LLPs regime.

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

Mr M Bautin
Designated member

Date: 26 July 2023

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. GENERAL INFORMATION

IQ Capital Partners LLP (the "LLP") is a limited liability partnership incorporated in England and Wales. The registered office is 95 Regent Street, Cambridge, CB2 1AW.

The Partnership's functional and presentational currency is GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The LLP, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

The LLP has taken an exemption available under FRS 102 for small companies to not to prepare a cashflow statement. The LLP has taken exemptions available under FRS 102 from making certain disclosures.

2.3 GOING CONCERN

In assessing the ability of the LLP to continue as a going concern, the Members have prepared relevant forecasts. After making appropriate enquiries, reviewing the cash position of the LLP, the level of uncalled commitments, and its expected cash outflows, the Members have concluded that the LLP has adequate resources to continue in operational existence for at least the next twelve months from the date of approval of the financial statements. Accordingly, the Members continue to adopt the going concern basis in preparing the financial statements. In addition, the Members note the key business risks and uncertainties are losses or bankruptcies in the companies in which the LLP is invested.

The Members have considered the geopolitical situation in Ukraine and Russia and considered there to be no material impact on the LLP at this present time. The Members have considered recent events surrounding Silicon Valley Bank UK and the acquisition by HSBC UK and is satisfied that there was no material impact on the LLP and, as at the date of signing, the LLP is able to continue its business as a venture capital investor.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES (CONTINUED)

2.4 TURNOVER

Turnover relates to Fees received from the General Partners of the Venture Capital Funds as defined in the relevant section of each Management Agreement (between the LLP and relevant Venture Capital Fund's General Partner).

Turnover comprises Management fees, Monitoring fees, Arrangement fees and Directorship fees in respect of services supplied during the year.

2.5 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	10%	straight line over the lease period
Fixtures and fittings	-	33%	straight line
Equipment	-	33%	straight line
Other fixed assets	-	20%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 VALUATION OF INVESTMENTS

Investments in subsidiaries are held at cost less accumulated impairment.

2.7 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Debtors are reviewed annually for recoverability and provisions are made on a specific basis where receipt of that debtor is no longer probable.

2.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand and amounts held with third parties which are readily converted into cash, with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings within current liabilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES (CONTINUED)

2.9 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 OPERATING LEASES

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.11 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the LLP in independently administered funds.

2.12 DIVISION AND DISTRIBUTION OF PROFITS

A division of profits is the mechanism by which the profits of an LLP become a debt due to members. A division may be automatic or discretionary, may relate to some or all of the profits for a financial period and may take place during or after the end of a financial period.

An automatic division of profits is one where the LLP does not have an unconditional right to avoid making a division of an amount of profits based on the members' agreement in force at the time, whereas a discretionary division of profits requires a decision to be made by the LLP, which it has the unconditional right to avoid making.

The LLP divides profits automatically. Automatic divisions of profits are recognised as 'Members' remuneration charged as an expense' in.

During the year, the members set the level of members' monthly drawings after considering the interim profit calculations and the LLP's working capital needs. The LLP agreement provides that the profit, after a prior profit share, be allocated in accordance with the profit sharing ratios as set out in the members' agreement. Such payments and allocations are accounted for as an expense and are shown within members' remuneration.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the LLP's accounting policies, described above, the Members are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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 relevant. Actual results may differ from these estimates. These estimates and assumptions are reviewed on an ongoing basis and any significant changes identified will be applied retrospectively by restating prior periods unless restatement is impracticable

The General Partner has concluded that there are no critical accounting judgements or key sources of estimation uncertainty other than the fixed asset investments.

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 17 (2022 - 13).

5. TANGIBLE FIXED ASSETS

	Short-term leasehold property £	Office equipment £	Other fixed assets £	Total £
COST				
At 1 April 2022 (Unaudited)	197,490	127,909	8,616	334,015
Additions	-	23,198	2,858	26,056
At 31 March 2023	197,490	151,107	11,474	360,071
DEPRECIATION				
At 1 April 2022 (Unaudited)	50,864	68,505	4,101	123,470
Charge for the year	19,749	29,965	2,129	51,843
At 31 March 2023	70,613	98,470	6,230	175,313
NET BOOK VALUE				
At 31 March 2023	126,877	52,637	5,244	184,758
At 31 March 2022 (Unaudited)	146,626	59,404	4,515	210,545

IQ CAPITAL PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. FIXED ASSET INVESTMENTS

	Investment in subsidiary companies £
COST	
At 1 April 2022 (Unaudited)	200,124
Additions	2
	200,126
At 31 March 2023	200,126
 IMPAIRMENT	
At 1 April 2022 (Unaudited)	150,103
Charge for the year	-
	150,103
At 31 March 2023	150,103
 NET BOOK VALUE	
At 31 March 2023	50,023
At 31 March 2022 (Unaudited)	50,021

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	Unaudited 2022 £
Trade debtors	10,414	26,398
Amounts owed by group undertakings	109,007	2,699,841
Other debtors	49,901	52,865
Prepayments and accrued income	330,618	68,594
	499,940	2,847,698

IQ CAPITAL PARTNERS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	Unaudited 2022
	£	£
Trade creditors	108,059	4,300
Amounts owed to group undertakings	229,847	125,354
Other taxation and social security	58,814	45,791
Other creditors	30,153	30,346
Accruals and deferred income	67,223	1,425,115
	<u>494,096</u>	<u>1,630,906</u>

9. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2023 the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	Unaudited 2022
	£	£
Not later than 1 year	83,300	83,300
Later than 1 year and not later than 5 years	34,708	118,008
	<u>118,008</u>	<u>201,308</u>

10. RELATED PARTY TRANSACTIONS

The LLP has taken an exemption under FRS 102 not to disclose all of its related party transactions.

As at 31 March 2023 the total amounts due on an aggregate basis are:

- The LLP is owed £109,007 (2022: £2,699,841) from entities which it either directly or indirectly exercises control over.
- The LLP owes £229,847 (2022: £125,354) to entities which it either directly or indirectly exercises control over.

11. POST BALANCE SHEET EVENTS

Subsequent events that require recognition or disclosure in the financial statements have been evaluated up to and including 24 July 2023, which is the date that the financial statements were available to be issued.

There are no subsequent events which require recognition in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 31 March 2023 was unqualified.

The audit report was signed on 26 July 2023 by Mirza Ahmad (Senior Statutory Auditor) on behalf of Grant Thornton UK LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.