

Registered number: SC226980

ALBANY VENTURE MANAGERS GP LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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ALBANY VENTURE MANAGERS GP LIMITED

COMPANY INFORMATION

DIRECTOR	Lisa Brown (appointed 29 June 2017)
COMPANY SECRETARY	Ian Anderson
REGISTERED NUMBER	SC226980
REGISTERED OFFICE	8 West Marketgait Dundee DD1 1QN
INDEPENDENT AUDITORS	Deloitte LLP 110 Queen Street Glasgow G1 3BX
BANKERS	Lloyds Banking Group The Mound Edinburgh EH1 YZ
SOLICITORS	Dickson Minto WS 16 Charlotte Street Edinburgh EH2 4DF

ALBANY VENTURE MANAGERS GP LIMITED

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ALBANY VENTURE MANAGERS GP LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Director presents her report and the financial statements for the year ended 31 December 2017.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable her to ensure that the financial statements comply with the Companies Act 2006. She is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The Company was the General Partner to the following limited partnerships:

Albany Ventures Fund III Limited Partnership ("AVFIILP") – a venture capital investment fund registered as a Limited Partnership in Scotland subject to a Partnership Agreement dated 1 May 2002 and as amended on 20 November 2006 and 14 May 2007;

Albany Ventures Fund III SP Limited Partnership ("AVFIISP") – a venture capital investment vehicle registered as a Limited Partnership in Scotland subject to a Partnership Agreement dated 23, 24, 29 and 30 April 2002 and as amended on 28 April 2003, 17 February 2004, and 27 November 2009. AVFIISP was a partner in AVFIILP; and Albany Ventures Co-Invest Limited Partnership ("AVCI") – a venture capital investment vehicle registered as a Limited Partnership in Scotland subject to a Partnership Agreement dated 30 April and 1 May 2002 and the amended agreement dated 6, 10 and 21 May 2003 and 23 and 31 March and 3 and 7 April 2004 and 27 and 31 August 2004.

The final investment held by AVFIISP was realised in 2016. The finalisation of monies due to investors was completed in 2017 and the Company as General Partner to the Fund made a final distribution of cash proceeds from AVFIISP in 2017.

AVFIILP, AVFIISP and AVCI were dissolved in August 2017.

It is the intention of the Director to make an application for the Company to undertake a members' voluntary liquidation. On dissolution all remaining assets will be distributed to the shareholders.

ALBANY VENTURE MANAGERS GP LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

BUSINESS REVIEW

Under the terms of the Partnership Agreements, the Company, as a General Partner, is responsible for carrying on the day to day management of the business activities of the respective partnerships referred to above unless it appoints a separate manager to manage the Partnerships to its exclusion.

RESULTS

The profit for the year, after taxation, amounted to £5,302 (2016: £1,177).

DIRECTORS

The Directors who served during the year were:

Lisa Brown (appointed 29 June 2017)
Ramsay Urquhart (resigned 29 June 2017)

GOING CONCERN

The Company's business activities, together with any factors likely to affect its future development and positions, are set out above.

The Director has ceased the trading activities of the Company. Accordingly, as required by FRS 102, these financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to their net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such costs were committed at the balance sheet date.

FUTURE DEVELOPMENTS

The Company will work towards entering into members' voluntary liquidation in 2018.

DISCLOSURE OF INFORMATION TO AUDITORS

The Director at the time when this Director's Report is approved has confirmed that:

- so far as she is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- she has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Deloitte LLP, will be proposed for reappointment for the audit of the financial statements for the year ending 31 December 2018, in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

ALBANY VENTURE MANAGERS GP LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

This report was approved by the Director and signed on her behalf by:



.....
Ian Anderson
Secretary

Date: 10 April 2018

ALBANY VENTURE MANAGERS GP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBANY VENTURE MANAGERS GP LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Albany Venture Managers GP Limited (the 'company') which comprise:

- the statement of comprehensive income and retained earnings;
- the balance sheet;
- the statement of cash flows; and
- the related notes 1 to 13.

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

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 company 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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The director is 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 respect of these matters.

ALBANY VENTURE MANAGERS GP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBANY VENTURE MANAGERS GP LIMITED

Responsibilities of directors

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the company'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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Director's report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the company, 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
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a strategic report.

ALBANY VENTURE MANAGERS GP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBANY VENTURE MANAGERS GP LIMITED

We have nothing to report in respect of these matters.


Andrew Partridge CA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom

Date: 10 April 2018

ALBANY VENTURE MANAGERS GP LIMITED

**STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	3	5,356	-
GROSS PROFIT		5,356	-
Administrative expenses		(54)	(67)
PROFIT/(LOSS) BEFORE TAX	4	5,302	(67)
Tax on profit/(loss)	6	-	1,244
PROFIT AFTER TAX		5,302	1,177
Retained earnings at the beginning of the year		5,348	4,171
		5,348	4,171
Profit for the year		5,302	1,177
RETAINED EARNINGS AT THE END OF THE YEAR		10,650	5,348

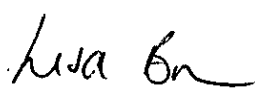
All amounts relate to discontinued operations.

ALBANY VENTURE MANAGERS GP LIMITED
REGISTERED NUMBER: SC226980

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Investments	7	-	12
		<u>-</u>	<u>12</u>
CURRENT ASSETS			
Cash at bank and in hand	9	16,499	13,416
		<u>16,499</u>	<u>13,416</u>
Creditors: amounts falling due within one year	8	(5,848)	(8,079)
		<u>-</u>	<u>-</u>
NET CURRENT ASSETS		10,651	5,337
TOTAL ASSETS LESS CURRENT LIABILITIES		10,651	5,349
		<u>10,651</u>	<u>5,349</u>
NET ASSETS		10,651	5,349
		<u>10,651</u>	<u>5,349</u>
CAPITAL AND RESERVES			
Called up share capital	11	1	1
Profit and loss account		10,650	5,348
		<u>10,651</u>	<u>5,349</u>
		<u>10,651</u>	<u>5,349</u>

The financial statements were approved, authorised for issue and signed by:



Lisa Brown
 Director

Date: 10 April 2018

ALBANY VENTURE MANAGERS GP LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	5,302	1,177
ADJUSTMENTS FOR:		
Investments written off	12	-
Decrease in amounts owed to groups	(2,231)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	3,083	1,177
INCREASE IN CASH AND CASH EQUIVALENTS	3,083	1,177
Cash and cash equivalents at beginning of year	13,416	12,239
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	16,499	13,416
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	16,499	13,416
	16,499	13,416

The notes on pages 10 to 14 form part of these financial statements.

ALBANY VENTURE MANAGERS GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Albany Venture Managers GP Limited is a private company limited by shares and incorporated in Scotland under the Companies Act. The address of the registered office is provided within the Company Information page. The nature of the company's operations and its principal activities, together with any factors likely to affect its future development and positions, are set in the Director's Report on pages 1 - 3.

GOING CONCERN

The Director has ceased the trading activities of the Company. Accordingly, as required by FRS 102, these financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to their net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such costs were committed at the balance sheet date.

TURNOVER

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

INVESTMENTS

Investments are measured at cost less any accumulated impairment.

IMPAIRMENT OF ASSETS

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

FINANCIAL INSTRUMENTS

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

ALBANY VENTURE MANAGERS GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

All basic financial instruments are initially measured at transaction price (including transaction costs) and subsequently at amortised cost.

TAXATION

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, no significant judgments, estimates or assumptions have been made by the Director.

3. TURNOVER

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Partnership profit share	<u>5,356</u>	<u>-</u>

All turnover arose within the United Kingdom.

4. PROFIT BEFORE TAX

Audit fees of £1,900 (2016: £1,800) are borne by the parent Company, Alliance Trust PLC. No non-audit fees (2016: £Nil) were payable to Deloitte in respect of services provided to the Company.

5. EMPLOYEES

The Company had no employees during the year under review (2016: Nil). The Directors did not receive any remuneration for their qualifying services to the Company during the year (2016: £Nil).

ALBANY VENTURE MANAGERS GP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. TAXATION

	2017 £	2016 £
CORPORATION TAX		
Adjustments in respect of previous periods	-	(1,244)
	<u>-</u>	<u>(1,244)</u>
TOTAL CURRENT TAX	<u>-</u>	<u>(1,244)</u>
DEFERRED TAX		
TOTAL DEFERRED TAX	<u>-</u>	<u>-</u>
TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	<u>-</u>	<u>(1,244)</u>
FACTORS AFFECTING TAX CHARGE FOR THE YEAR		

	2017 £	2016 £
Profit/(loss) on ordinary activities before tax	<u>5,302</u>	<u>(67)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	<u>1,021</u>	<u>(13)</u>
EFFECTS OF:		
Expenses not deductible for tax purposes	-	13
Group relief	<u>(1,021)</u>	<u>(1,244)</u>
TOTAL TAX CHARGE FOR THE YEAR	<u>-</u>	<u>(1,244)</u>

The standard rate of UK corporation tax for the year ended 31 December 2017 is 19.25% (year ended 31 December 2016: 20%). A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015 and an additional reduction from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

ALBANY VENTURE MANAGERS GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

7. FIXED ASSET INVESTMENTS

	Other fixed asset investments £
COST OR VALUATION	
At 1 January 2017	12
Amounts written off	(12)
NET BOOK VALUE	
AT 31 DECEMBER 2017	<u>-</u>
At 31 December 2016	<u>12</u>

Investments represented capital contributions by the Company in the following limited partnerships:

Name	
Albany Venture Fund III Limited Partnership	£10
Albany Venture Fund III SP Limited Partnership	£1
Albany Venture Co- Invest Limited Partnership	£1

The above private equity limited partnerships were registered in Scotland and invested in unquoted companies with technology and life science industries. Albany Venture Managers GP Limited derived no benefit from the holding within these funds except to receive fees in relation to the provision of management services and any performance related fees. The underlying limited partnerships had therefore not been consolidated within the Albany Venture Managers GP Limited accounts. Due to the dissolution of the partnerships in August 2017, capital contributions of the Company in the limited partnerships were written off.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Amounts owed to group undertakings	5,848	8,079
	<u>5,848</u>	<u>8,079</u>

ALBANY VENTURE MANAGERS GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

9. FINANCIAL INSTRUMENTS

	2017 £	2016 £
FINANCIAL ASSETS		
Cash and cash equivalents	16,499	13,416
	<u>16,499</u>	<u>13,416</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost (see note 8)	5,848	8,079
	<u>5,848</u>	<u>8,079</u>

10. RESERVES

Profit and loss account

The Profit and loss account includes all current and prior period retained profits and losses.

11. SHARE CAPITAL

	2017 £	2016 £
SHARES CLASSIFIED AS EQUITY		
ALLOTTED, CALLED UP AND FULLY PAID		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

12. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Alliance Trust PLC the Company is exempt from the requirements of s.33 of FRS 102 to disclose transactions with other members of the group.

13. CONTROLLING PARTY

The immediate parent undertaking and controlling party is now Alliance Trust PLC, whose Report and Accounts may be obtained from its registered office at 8 West Marketgait, Dundee, DD1 1QN or online at www.alliancetrust.co.uk.