

Praefinium Partners Limited

Financial Statements

31 December 2016

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Praefinium Partners Limited

Financial Statements

Year ended 31 December 2016

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Praefinium Partners Limited
Officers and Professional Advisers

The board of directors

A Singh
A Patel

Registered office

Sovereign Court
230 Upper Fifth Street
Central Milton Keynes
MK9 2HR

Auditor

HWS Keens Limited
Chartered accountant & statutory auditor
Sovereign Court,
230 Upper Fifth Street,
Central Milton Keynes,
MK9 2HR

Principal activity

The principal activity of the company is that of asset management and the provision of investment advice.

Review of business and future developments

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The results for the year and the financial position of the company are as shown in the annexed financial statements and are considered satisfactory by the directors and in line with expectations.

The company is authorised and regulated by the Financial Conduct Authority (FCA) to undertake all activities relating to fund and asset management as well as investment advisory. The investment managers were Mr. Alpesh B. Patel and Dr. Ajay P. Singh. The company receives investment management fees and consultancy fees for investment advice.

During the year the company continued to act as the investment advisor to Praefinium SICAV-FIS and to Universal Premium Fund SICAV-FIS: both are investment funds domiciled in the Grand Duchy of Luxembourg and supervised by the Commission de Surveillance du Secteur Financier (CSSF). The investment advisory and investment management services provided to the investment funds were the company's main source of income.

The general market environment led to lower turnover and the company responded by further reducing overhead expenses.

The directors consider that the key financial risk exposure faced by the company relates to the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs. The Liquidity situation is expected to improve when a bidding process of a major holding held in Praefinium SICAV-FIS is completed in 2017.

Results

The results of the year's trading and the financial position of the company are shown in the annexed accounts. Key performance indicators for the company are as follows:

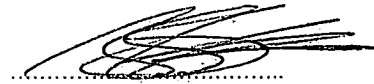
	2016	2015
	£	£
Turnover for the year	142,250	154,951
Profit/(Loss) for the year before tax	28,564	2,875
Shareholders funds at the year end	149,798	121,234
Cash at bank and in hand at the year end	6,321	13,155

Praefinium Partners Limited

Strategic Report (continued)

Year ended 31 December 2016

This report was approved by the board of directors on 25 April 17 and signed on behalf of the board by:



A Singh
Director



The directors present their report and the financial statements of the company for the year ended 31 December 2016.

Directors

The directors who served the company during the year were as follows:

A Singh
A Patel

Dividends

The directors do not recommend the payment of a dividend.

Disclosure of information in the strategic report

The directors have chosen to set out information required to be included within the Director's Report within the Strategic Report.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 the directors 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 company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 company will continue in business.

The directors are 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

Praefinium Partners Limited

Directors' Report *(continued)*

Year ended 31 December 2016

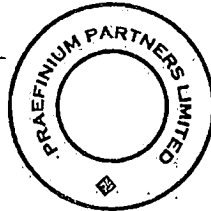
Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 25 April 17 and signed on behalf of the board by:


A Singh
Director



Independent Auditor's Report to the Members of Praefinium Partners Limited

Year ended 31 December 2016

We have audited the financial statements of Praefinium Partners Limited for the year ended 31 December 2016 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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".

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.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, the directors 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its 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.

Independent Auditor's Report to the Members of Praefinium Partners Limited *(continued)*

Year ended 31 December 2016

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



.....
SIMON GILL FCCA
(Senior Statutory Auditor)
For and on behalf of
HWS Keens Limited
Chartered Accountants and Statutory Auditor
Sovereign Court
230 Upper Fifth Street
Central Milton Keynes
MK9 2HR

.....
25/04/2017
.....
Date

Praefinium Partners Limited

Statement of Income and Retained Earnings

Year ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	142,250	154,951
Cost of sales		<u>(60,000)</u>	<u>(60,000)</u>
Gross profit		82,250	94,951
Administrative expenses		<u>(53,686)</u>	<u>(92,076)</u>
Operating profit	5	28,564	2,875
Profit before taxation		<u>28,564</u>	<u>2,875</u>
Tax on profit	7	<u>—</u>	<u>—</u>
Profit for the financial year and total comprehensive income		<u>28,564</u>	<u>2,875</u>
Retained losses at the start of the year		<u>(259,766)</u>	<u>(262,641)</u>
Retained losses at the end of the year		<u>(231,202)</u>	<u>(259,766)</u>

All the activities of the company are from continuing operations.

The notes on pages 11 to 16 form part of these financial statements.

Praefinium Partners Limited

Statement of Financial Position

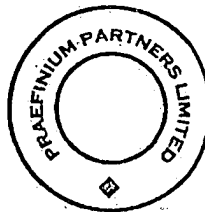
31 December 2016

	Note	2016 £	2015 £
Current assets			
Debtors	9	486,201	375,092
Cash at bank and in hand		6,321	13,155
		<u>492,522</u>	<u>388,247</u>
Creditors: amounts falling due within one year	10	<u>342,724</u>	<u>267,013</u>
Net current assets		149,798	121,234
Total assets less current liabilities		149,798	121,234
Net assets		149,798	121,234
Capital and reserves			
Called up share capital	11	381,000	381,000
Profit and loss account	12	(231,202)	(259,766)
Members funds		149,798	121,234

These financial statements were approved by the board of directors and authorised for issue on 25 April 17 and are signed on behalf of the board by:


A Singh
Director

Company registration number: 04040407



The notes on pages 11 to 16 form part of these financial statements.

Praefinium Partners Limited

Statement of Cash Flows

Year ended 31 December 2016

	2016	2015
	£	£
Cash flows from operating activities		
Profit for the financial year	28,564	2,875
<i>Adjustments for:</i>		
Accrued expenses	59,048	61,785
<i>Changes in:</i>		
Trade and other debtors	(111,109)	(71,227)
Trade and other creditors	16,663	12,216
Cash generated from operations	(6,834)	5,649
Net cash (used in)/from operating activities	(6,834)	5,649
Net (decrease)/increase in cash and cash equivalents	(6,834)	5,649
Cash and cash equivalents at beginning of year	13,155	7,506
Cash and cash equivalents at end of year	6,321	13,155

The notes on pages 11 to 16 form part of these financial statements.

Praefinium Partners Limited

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Sovereign Court, 230 Upper Fifth Street, Central Milton Keynes, MK9 2HR.

2. Company information

The company is a limited company, incorporated in the United Kingdom. The address of the registered office is Sovereign Court, 230 Upper Fifth Street, Central Milton Keynes, MK9 2HR.

3. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in Sterling (£).

Going concern

The company is affiliated to the Praefinium Group and has been designated as the sole investment adviser for two Praefinium funds. This affiliation and appointment is expected to produce positive returns and cash flows in the future and, in the meantime, the Praefinium Group continues to informally assist in the financial support of the company. For this reason, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and therefore will continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

3. Accounting policies (continued)

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Computer Equipment	- 33% straight line
Fixtures and Fittings	- 25% reducing balance

4. Turnover

Turnover arises from:

	2016	2015
	£	£
Rendering of services	<u>142,250</u>	<u>154,951</u>

The analysis of turnover by geographical area is as follows:

	2016	2015
	£	£
Asia	42,250	54,951
Europe	<u>100,000</u>	<u>100,000</u>
	<u>142,250</u>	<u>154,951</u>

Praefinium Partners Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2016

5. Operating profit

Operating profit or loss is stated after charging:

	2016 £	2015 £
Foreign exchange differences	<u>126</u>	<u>289</u>

Payments were made to companies for other services provided by the directors as detailed in note 13 to the accounts.

6. Auditor's remuneration

	2016 £	2015 £
Fees payable for the audit of the financial statements	<u>6,000</u>	<u>3,800</u>

7. Tax on profit

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>28,564</u>	<u>2,875</u>
Profit on ordinary activities by rate of tax	<u>5,713</u>	575
Effect of expenses not deductible for tax purposes	20	3,635
Utilisation of tax losses	<u>(5,733)</u>	<u>(4,210)</u>
Tax on profit	<u>-</u>	<u>-</u>

There is no tax charge for the year (2015 £nil). At 31 December 2016 tax losses carried forward for offset against future trading profits were £168,000 (2015 £197,000).

8. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 Jan 2016 and 31 Dec 2016	<u>2,837</u>	<u>3,552</u>	<u>6,389</u>
Depreciation			
At 1 Jan 2016 and 31 Dec 2016	<u>2,837</u>	<u>3,552</u>	<u>6,389</u>
Carrying amount			
At 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>

Praefinium Partners Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

9. Debtors

	2016	2015
	£	£
Trade debtors	464,471	357,497
Other debtors	21,730	17,595
	<u>486,201</u>	<u>375,092</u>

10. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	49,824	42,778
Accruals and deferred income	185,625	126,577
Other creditors	107,275	97,658
	<u>342,724</u>	<u>267,013</u>

11. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>381,000</u>	<u>381,000</u>	<u>381,000</u>	<u>381,000</u>

12. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

Praefinium Partners Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2016

13. Related party transactions

Transactions with TraderMind Limited ('TL'), a company which A Patel is a director of, are as follows:

	2016 £	2015 £
Cost of services provided in the year by TL including reimbursement of travel costs excluding VAT	60,000	60,000
Amount due to TL at the year end	198,267	138,267

Transactions with Phison Investments AG ('PI'), a company which A Singh is a director of, are as follows:

	2016 £	2015 £
Cost of services provided in the year by PI including reimbursement of travel costs excluding VAT	-	8,000
Amount due to PI at the year end	58,607	50,489

Transactions with Praefinium Partners SARL ('PP'), a company which A Patel, A Singh and N Srivastava are directors of, are as follows:

	2016 £	2015 £
Services provided in the year to PP	130,975	100,000
Cost of services provided in the year including reimbursement of legal costs excluding VAT	-	7,287
Amount due from PP at the year end	438,262	307,287

Transactions with Praefinium SCA SICAV-FIS ('PSCA'), a company which Praefinium Partners SARL is general manager of, are as follows:

	2016 £	2015 £
Amount due from PSCA at the year end	21,250	21,250

Transactions with Knee Creations Limited ('KC'), a company which N Srivastava is director of, are as follows:

	2016 £	2015 £
Services provided in the year to KC	-	-
Amount due from KC at the year end	267	267

Transactions with Praefinium Partners Pte Limited ('PTE'), a company which N Srivastava is a director of, are as follows:

	2016 £	2015 £
Services provided in the year to PTE	3,250	12,950
Cost of services provided in the year by PTE including reimbursement of travel costs excluding VAT	3,250	5,000
Amount due to PTE at the year end	43,649	43,649

Praefinium Partners Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2016

Transactions with Praefinium - Tamarind fund ('TAM'), a company which Praefinium Partners SARL is general manager of, are as follows:

	2016 £	2015 £
Disbursements paid on behalf of TAM	-	-
Amount due from TAM at the year end	12,310	12,310

Transactions with Indeen Bio Power Limited ('IND'), a company which N Srivastava and A Singh are directors of, are as follows:

	2016 £	2015 £
Services provided to IND	6,000	42,000
Amount due from IND at the year end	-	24,000

Transactions with Praefinium Energy Investments Limited ('PEI'), a company which A Singh and N Srivastava are directors of, are as follows:

	2016 £	2015 £
Services provided in the year to PEI	33,000	-
Cost of services provided in the year by PEI excluding VAT	-	-

Transactions with N Srivastava ('NS') are as follows:

	2016 £	2015 £
Cost of services provided in the year by NS including reimbursement of travel costs excluding VAT	2,000	16,750
Amount due to NS at the year end	5,020	3,520

N Srivastava was previously a director of the company and resigned on 30 January 2014.