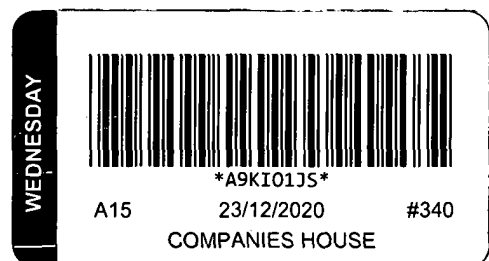


Company Registration No. 04040407 (England and Wales)

PRAEFINIUM PARTNERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



PRAEFINIUM PARTNERS LIMITED

COMPANY INFORMATION

Directors	Mr A Patel Mr A Singh
Company number	04040407
Registered office	Sovereign Court 230 Upper Fifth Street Milton Keynes MK9 2HR
Auditor	MHA MacIntyre Hudson Chartered Accountants Moorgate House 201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ

PRAEFINIUM PARTNERS LIMITED

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PRAEFINIUM PARTNERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present the strategic report for the year ended 31 December 2019.

Fair review of the business

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, which is an investment fund 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.

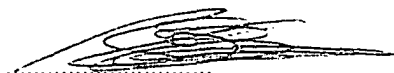
The directors consider that the key financial risk exposure faced by the company relates to the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs. The liquidity will improve when the sale of assets held in Praefinium SICAV-FIS will conclude in the near future.

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:

	2019	2018
	£	£
Turnover for the year	32,831	70,092
Profit/(Loss) for the year before tax	37,107	44,536
Shareholders funds at the year end	316,717	279,610
Cash at bank and in hand at the year end	6,173	9,696

On behalf of the board



Mr A Singh

Director

..11.12.2020.....

PRAEFINIUM PARTNERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the company continued to be that of asset management and the provision of investment advice.

Directors

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

Mr A Patel
Mr A Singh

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 of 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 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 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.

Strategic report

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr A Singh

Director

Date: 11.12.2020

PRAEFINIUM PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRAEFINIUM PARTNERS LIMITED

Opinion

We have audited the financial statements of Praefinium Partners Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, the statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 company's affairs as at 31 December 2019 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.

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

We draw attention to note 13 of the financial statements, which describes matters relating to advised funds assets, and recoverability of trade debtors and other costs. Our opinion is not modified in this respect.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors 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.

PRAEFINIUM PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PRAEFINIUM PARTNERS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

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, and for such internal control as the directors 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PRAEFINIUM PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PRAEFINIUM PARTNERS LIMITED

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.



Simon Gill FCCA (Senior Statutory Auditor)
for and on behalf of MHA MacIntyre Hudson

22/12/2020

Chartered Accountants
Statutory Auditor

Chartered Accountants
Moorgate House
201 Silbury Boulevard
Milton Keynes
Buckinghamshire
MK9 1LZ

PRAEFINIUM PARTNERS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2019

		2019	2018
	Notes	£	£
Turnover	3	32,831	70,092
Administrative expenses		4,276	(25,556)
Profit before taxation		37,107	44,536
Tax on profit	7	-	-
Profit for the financial year		37,107	44,536
Retained earnings brought forward		(101,390)	(145,926)
Retained earnings carried forward		(64,283)	(101,390)

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

PRAEFINIUM PARTNERS LIMITED

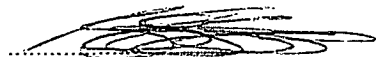
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Current assets					
Debtors	9	669,077		635,855	
Cash at bank and in hand		6,173		9,696	
		<u>675,250</u>		<u>645,551</u>	
Creditors: amounts falling due within one year	10	<u>(358,533)</u>		<u>(365,941)</u>	
Net current assets			<u>316,717</u>		<u>279,610</u>
Capital and reserves					
Allotted, called up and fully paid share capital	11		381,000		381,000
Profit and loss reserves			<u>(64,283)</u>		<u>(101,390)</u>
Total equity			<u>316,717</u>		<u>279,610</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 11.12.2020 and are signed on its behalf by:



Mr A Singh
Director

Company Registration No. 04040407

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Praefinium Partners Limited is a private company limited by shares incorporated in England and Wales. The registered office is Sovereign Court, 230 Upper Fifth Street, Milton Keynes, MK9 2HR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company is affiliated to the Praefinium Group and has been designated as the sole investment advisor 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, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

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.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	- 33% straight line
Fixtures and fittings	- 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and 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.

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.6 Financial instruments

The company 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 company's statement of financial position when the company 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 debtors 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. Financial assets classified as receivable within one year are not amortised.

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, 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 payments 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 creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2019	2018
	£	£
Turnover analysed by class of business		
Rendering of services	32,831	70,092
	<u> </u>	<u> </u>
	2019	2018
	£	£
Turnover analysed by geographical market		
Europe	32,831	70,092
	<u> </u>	<u> </u>

4 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(116)	(569)
Operating lease charges	2,223	3,000
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	5,000	5,000
	<u> </u>	<u> </u>

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

6 Employees

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

2019 Number	2018 Number
<u>2</u>	<u>2</u>

7 Taxation

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	<u>37,107</u>	<u>44,536</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	7,050	8,462
Unutilised tax losses carried forward	<u>(7,050)</u>	<u>(8,462)</u>
Taxation charge for the year	<u>-</u>	<u>-</u>

There is no tax charge for the year (2018 : £nil). At 31 December 2019 tax losses carried forward to offset against future profits were approximately £500 (2018 : £38,000).

8 Tangible fixed assets

	Computer equipment £	Fixtures and fittings £	Total £
Cost			
At 1 January 2019 and 31 December 2019	<u>2,837</u>	<u>3,552</u>	<u>6,389</u>
Depreciation and impairment			
At 1 January 2019 and 31 December 2019	<u>2,837</u>	<u>3,552</u>	<u>6,389</u>
Carrying amount			
At 31 December 2019	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

9 Debtors		
	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	647,034	614,205
Other debtors	22,043	21,650
	<u>669,077</u>	<u>635,855</u>
10 Creditors: amounts falling due within one year		
	2019	2018
	£	£
Trade creditors	10,757	29,642
Taxation and social security	2,572	-
Other creditors	97,779	87,924
Accruals and deferred income	247,425	248,375
	<u>358,533</u>	<u>365,941</u>
11 Share capital		
	2019	2018
	£	£
Ordinary share capital Issued and fully paid Ordinary shares of £1 each	381,000	381,000
	<u>381,000</u>	<u>381,000</u>

12 Related party transactions

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

	2019	2018
	£	£
Cost of services provided in the year by TL including reimbursement of travel costs excluding VAT	-	60,000
Amount due to TL at the year end	228,667	258,267

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

	2019	2018
	£	£
Cost of services provided in the year by PI including reimbursement of travel costs excluding VAT	-	-
Amount due to PI at the year end	86,855	42,779

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

12 Related party transactions

(Continued)

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

	2019 £	2018 £
Services provided in the year to PP	32,500	50,000
Cost of services provided in the year including reimbursement of legal costs excluding VAT	-	-
Amount due from PP at the year end	589,787	557,287

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

	2019 £	2018 £
Amount due from PSCA at the year end	21,250	21,250

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

	2019 £	2018 £
Services provided in the year to PTE	-	-
Cost of services provided in the year by PTE including reimbursement of travel costs excluding VAT	-	-
Amount due (from)/to PTE at the year end	-1,297	36,566

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

	2019 £	2018 £
Disbursements paid on behalf of TAM	-	-
Amount due from TAM at the year end	12,310	12,310

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

	2019 £	2018 £
Cost of services provided in the year by NS including reimbursement of travel costs excluding VAT	-	-
Amount due to NS at the year end	10,924	8,579

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

PRAEFINIUM PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Related party transactions

(Continued)

Transactions with Praefinium Capital Management PTE Ltd (PCM), a company which A Singh and N Srivastava are directors of, are as follows:

	2019	2018
	£	£
Services provided in the year to PEI	-	-
Amount due to PCM at the year end	7,758	7,758

13 Recoverability of debtors

As referenced within the strategic report (page 2), Praefinium Partners Limited provides investment and advisory services to Praefinium Partners SARL ('SARL'). SARL is the General Partner to the investment funds, also shown within the strategic report.

At 31 December 2019, the company was owed £589,787 by SARL, in its position as General Partner, which in turn was owed significant sums from the advised funds. At present the funds are seeking to realise assets and investments which will allow the settlement of amounts due to SARL, which in turn, should allow SARL to settle its debts with Praefinium Partners Limited.

Accounts for the funds show there are realisable assets to achieve this and some assets disposed of, but the nature of activity cannot prescribe a definite level of realisation of assets, or timescale for the settlements to be achieved.