REGISTERED NUMBER OC344205

INDEX VENTURES (UK) LLP

MEMBERS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR 31 DECEMBER 2023

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Index Ventures (UK) LLP

Registered number: OC344205

CONTENTS

Partnership Information

Designated Members and Advisors

Designated Members	Index Venture Services Limited Mr J Hammer Ms A Ma
Registered Office	5-8 Lower John Street London W1F 9DY
Auditor	MHA 6th Floor 2 London Wall Place London EC2Y 5AU

Members' Report
For the year ended 31 December 2023

The members present their report and the financial statements of Index Ventures (UK) LLP (the "LLP") for the year ended 31 December 2023.

Principal activities

The principal activity of the LLP during the year ended 31 December 2023 was the provision of advisory services to venture capital and growth funds, which principally invest in technology and life science assets. The LLP identifies potential new investments and advises on acquisitions, management and disposals of these assets.

The LLP is authorised by the Financial Conduct Authority ("FCA") to give investment advice.

Results for the year

The LLP's profit for the year ended 31 December 2023, before members' remuneration and profit share available for discretionary division among members, was £18,106,550 (2022: £19,279,073) as shown in the Statement of Comprehensive Income. The decrease to profitability is due to an increase in salary costs, being partly offset by a gain in the value of forward exchange contracts held.

Profits will be allocated to the members as governed by the Partnership Agreement dated 10 December 2021.

The LLP's Statement of Financial Position shows a satisfactory position with members' other interests amounting to £19,804,543 (2022: £17,671,187).

Future developments

The members do not anticipate any change in the nature of the LLP's principal activity going forward and there are no plans which will significantly change the activities and risks of the LLP.

Principal risks and uncertainties facing the business

The LLP's business is reliant upon its appointment as advisor to various funds, which typically have a life of 10 to 12 years. The funds are permitted to change advisors in accordance with their Limited Partnership Agreements but the members consider this risk to be minimal. Although the income stream is considered to be dependable, the LLP's revenue could be impacted by poor performance of the funds.

The LLP has exposure to foreign exchange risk as income arises in Euro and US Dollar, but the LLP's expense base is in Pounds Sterling. There is no significant exposure to other market risks (price or interest risks), credit risk, liquidity risk or operational risk. The members mitigate the foreign exchange risk by entering into forward foreign exchange contracts to convert Euro and USD, into Pounds Sterling.

Going concern

The Members have undertaken an assessment of the impact of the ongoing worldwide conflicts on the ability to continue as a going concern for a period for at least 12 months from the date of approval of these financial statements. The members consider that the Partnership has sufficient liquid cash resources and can maintain sufficient income generating assets under management to cover its costs and to meet its regulatory capital requirement for this period.

The assets managed by the Index Group are EUR 2.8 billion plus USD 7.7 billion based on commitments. The funds have an initial term of 10 years and generates fees based on commitments for the Index Group over this 10 year period.

Each of the 16 funds managed are closed ended and hence investors are not able to withdraw their investments on a large scale and therefore creating liquidity issues within the funds.

Members' Report (continued)
For the year ended 31 December 2023

Policy with respect to members' drawings and subscriptions and repayments of amount subscribed or otherwise contributed by members

Members are permitted to make drawings in anticipation of profits which will be allocated to them on a discretionary basis. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP. The profit allocation that remains undrawn at the end of the financial year is able to be drawn by the members in the following financial year.

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. On retirement, capital is repaid to members.

Members

The members of the LLP during the year ended 31 December 2023 and up to the date of approval of this report were as follows:
Index Venture Services Limited *
Mr J Hammer *
Mr D H Rimer
Mr C Gonzales-Cadenas
Ms A Ma *

* Designated Member

The responsibility for the management and control of the LLP is exercised by the members of the LLP through the Governance Committee.

Statement of disclosure of information to auditor

Each member at the time when this members' report is approved has confirmed that:

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

Auditor

The auditor, MHA, was appointed by the Members during the year ended 31 December 2023. Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA Macintyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be made in accordance with section 485 of the Companies Act 2006 at the next Members' meeting.

This report was approved by the members on 23 April 2024 and signed on their behalf by

DocuSigned by:
Simon Cunningham
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Simon Cunningham on behalf of Index Venture Services Limited (Designated Member)

Statement of Members' Responsibilities

The Designated Members are responsible for preparing the members' report and the financial statements in accordance with applicable law and generally accepted United Kingdom Accounting Principles.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 ("the 2008 Regulations") require the members to prepare financial statements for each financial period. Under these regulations the members have elected to prepare the financial statements in accordance with 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 Regulation 8 of the 2008 Regulations, the Designated 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 LLP and of the profit or loss of the LLP for that period. In preparing the financial statements, the Designated Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under Regulation 6 of the 2008 Regulations, the Designated Members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with those Regulations. The Designated Members are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Index Ventures (UK) LLP

Opinion

We have audited the financial statements Index Ventures (UK) LLP (the "Partnership") for the year ended 31 December 2023 included within the Annual Report & Financial Statements (the "Annual Report"), which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the notes to the financial statements which include a description of the significant accounting policies.

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).

In our opinion the financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2023, 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 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 Partnership 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 ethical responsibilities in accordance with those 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 member's use of the going concern basis of accounting in the preparation of the financial statements 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 Partnership's or any of its sub-funds' 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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

mha

Independent auditor's report to the members of Index Ventures (UK) LLP (continued)

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, 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 the members

As explained more fully in the members' responsibilities statement set out on page 4, 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 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 member either intends to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management, those charged with governance, around actual and potential litigation and claims;
- enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Independent auditor's report to the shareholders of Index Ventures (UK) LLP (continued)

Use of our report

This report is made solely to the Partnership'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 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 Partnership and the Partnership's members as a body, for this report, or for the opinions we have formed.

David King, BSc, ACA
(Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom
23/04/2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Statement of Comprehensive Income
For the year ended 31 December 2023

	Notes	2023 £	2022 £
Turnover	4	40,469,151	40,712,179
Cost of sales		(273,953)	(193,528)
Gross profit		40,195,198	40,518,651
Administrative expenses	5	(24,730,747)	(20,168,733)
Movement in unrealised gain/loss in the fair value of financial instruments at fair value through profit or loss	15	2,614,849	(1,065,111)
Operating profit	6	18,079,300	19,284,807
Interest receivable		33,948	2,379
Interest payable and similar charges		(6,698)	(8,113)
Profit for the financial year available for discretionary division among Members		18,106,550	19,279,073

All amounts relate to continuing operations.

The notes on pages 12 to 20 form part of these financial statements.

Index Ventures (UK) LLP
Registered number: OC344205

Statement of Financial Position
As at 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		15,082,836		12,287,244
Current assets					
Debtors	10	2,283,247		5,688,380	
Fair value of financial instruments at fair value through profit or loss	15	1,750,548		-	
Cash at bank	11	5,884,002		5,192,663	
		9,917,797		10,881,043	
Current liabilities					
Creditors: amounts falling due within one year	12	5,196,090		4,632,799	
Fair value of financial instruments at fair value through profit or loss	14	-		864,301	
		5,196,090		5,497,100	
Net current assets			4,721,707		5,383,943
Total assets less current liabilities			19,804,543		17,671,187
Net assets attributable to members			19,804,543		17,671,187
Represented by:					
Loans and other debts due to members	14		18,913,630		16,780,274
Equity					
Members' other interests - members' capital	14		890,913		890,913
			19,804,543		17,671,187
Total members' interests					
Loans and other debts due to members	14		18,913,630		16,780,274
Members' other interests	14		890,913		890,913
			19,804,543		17,671,187

These financial statements were approved by the members and authorised for issue on 23 April 2024 and are signed on their behalf by:

DocuSigned by:
Simon Cunningham
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Simon Cunningham on behalf of Index Venture Services Limited (Designated Member)

The notes on pages 12 to 20 form part of these financial statements.

Statement of Changes in Equity
As at 31 December 2023

	Members' capital classified as equity	Other reserves	Total members' other interests
	£	£	£
At 1 January 2023	890,913	-	890,913
Comprehensive income for the year			
Profit available for discretionary division among members	-	18,106,550	18,106,550
Total comprehensive income for the year	-	18,106,550	18,106,550
Contributions by and distributions to members			
Profit allocation	-	(18,106,550)	(18,106,550)
Total contributions by and distributions to members	-	(18,106,550)	(18,106,550)
At 31 December 2023	890,913	-	890,913

Statement of Changes in Equity
As at 31 December 2022

	Members' capital classified as equity	Other reserves	Total members' other interests
At 1 January 2022	900,913	-	900,913
Comprehensive income for the year			
Profit available for discretionary division among members	-	19,279,073	19,279,073
Total comprehensive income for the year	-	19,279,073	19,279,073
Contributions by and distributions to members			
Capital repaid	(10,000)	-	(10,000)
Profit allocation	-	(19,279,073)	(19,279,073)
Total contributions by and distributions to members	(10,000)	(19,279,073)	(19,289,073)
At 31 December 2022	890,913	-	890,913

The notes on pages 12 to 20 form part of these financial statements.

Index Ventures (UK) LLP
Registered number: OC344205

Statement of Cash Flows
For the year ended 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Profit for the financial year		18,106,550	19,279,073
Interest receivable		(33,948)	(2,379)
Interest payable		6,698	8,113
Operating profit		18,079,300	19,284,807
Adjustments for:			
Depreciation		1,960,321	112,042
Movement in unrealised gain/loss in the fair value of financial instruments at fair value through profit or loss		(2,614,849)	1,065,111
Movement in working capital:			
Decrease/(increase) in debtors		3,405,135	(4,107,071)
Increase in creditors		563,291	1,906,567
Net cash generated from operating activities		21,393,198	18,261,456
Cash flows from investing activities			
Purchase of fixed assets		(4,755,913)	(10,062,702)
Disposals of fixed assets		-	66,921
Interest received		33,948	2,379
Interest paid		(6,698)	(8,113)
Net cash used in investing activities		(4,728,663)	(10,001,515)
Cash flows from financing activities			
Capital repaid to members		-	(10,000)
Drawings		(15,973,196)	(16,314,832)
Net cash used in financing activities		(15,973,196)	(16,324,832)
Increase/(decrease) in cash and cash equivalents for the year		691,338	(8,064,891)
Cash and cash equivalents at 1 January		5,192,663	13,257,554
Cash and cash equivalents at 31 December		5,884,002	5,192,663
Represented by:			
Cash at bank and in hand		5,884,002	5,192,663

The net debt reconciliation has been presented in Note 13

The notes on pages 12 to 20 form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2023

1. Partnership information

Index Ventures (UK) LLP is a limited liability partnership registered and domiciled in England and Wales. The address of the registered office and place of business is 5-8 Lower John Street, London W1F 9DY.

2. Accounting policies

2.1 Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention as modified by the recognition of certain financial assets and liabilities at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, and the Companies Act 2006 and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' ("SORP") issued in January 2019.

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

2.2 Going concern

The Members have undertaken an assessment of the impact of the ongoing worldwide conflicts on the ability to continue as a going concern for a period for at least 12 months from the date of approval of these financial statements. The members consider that the Partnership has sufficient liquid cash resources and can maintain sufficient income generating assets under management to cover its costs and to meet its regulatory capital requirement for this period.

The assets managed by the Index Group are EUR 2.8 billion plus USD 7.7 billion based on commitments. The funds have an initial term of 10 years and generates fees based on commitments for the Index Group over this 10 year period.

Each of the 16 funds managed are closed ended and hence investors are not able to withdraw their investments on a large scale and therefore creating liquidity issues within the funds.

2.3 Revenue recognition

Revenue, which is stated net of any value added tax, represents fees arising from advisory services provided.

Revenue is only recognised on an accruals basis when the services have been performed and both of the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the LLP will receive the consideration due under the contract.

2.4 Expenses

Expenses have been recognised on an accruals basis.

2.5 Operating leases

Rentals under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

2.6 Current and deferred taxation

No provision has been made for taxation in the financial statements as each member is exclusively liable for any tax liabilities arising out of their interest in the LLP. Tax is assessed on the individual members and not on the LLP.

Notes to the financial statements for the year ended 31 December 2023 (continued)

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated 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.

The LLP adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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

Leasehold property	-	over the length of the lease
Furniture	-	over 5 years
Equipment	-	over 3 years

2.8 Financial Instruments

Financial assets

The LLP's financial assets comprise basic financial instruments being trade and other receivables, cash and bank balances and derivatives.
Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Trade and other receivables are measured initially at transaction price and thereafter at the amount of cash or other consideration expected to be received less any impairment. Any impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

An impairment loss is measured as the difference between an asset's carrying amount and the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled, substantially all the risks and rewards of the ownership of the asset are transferred to another party or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes to the financial statements for the year ended 31 December 2023 (continued)

2. Accounting policies (continued)

2.8 Financial Instruments (continued)

Financial liabilities

The Company's financial liabilities comprise basic financial liabilities, being including trade and other payables, amounts due to fellow group companies and accruals. These are initially measured at transaction price and thereafter at the amount of cash or other consideration expected to be paid.

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. Other financial liabilities comprise derivatives.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Derivative instruments

Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through the Statement of Comprehensive Income. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of the forward currency contracts is calculated by reference to current forward exchange contracts with similar maturity profiles.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

2.9 Members' participation rights

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 of 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. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Statement of Comprehensive Income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Statement of Financial Position.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Statement of Comprehensive Income and are equity appropriations in the Statement of Financial Position.

Notes to the financial statements for the year ended 31 December 2023 (continued)

2. Accounting policies (continued)

2.9 Members' participation rights (continued)

Other amounts applied to members, for example remuneration and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the Statement of Financial Position within "Loans and other debts due to members" and are charged to the Statement of Comprehensive Income within "members' remuneration charged as an expense". Amounts due to members that are classified as equity are shown in the Statement of Financial Position within "members' other interests".

2.10 Foreign currencies

Functional and presentation currency

The LLP's functional and presentational currency is Pounds Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income, including qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within administrative expenses'.

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 Partnership 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.

3. Judgements in applying accounting policies 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 for assets and liabilities as at the financial position date and the amounts reported for revenues and expenses during the year.

Critical judgements in applying the entity's accounting policies

The Members have not been required to apply any critical judgements in applying the accounting policies.

Critical accounting estimates and assumptions

The LLP makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Notes to the financial statements for the year ended 31 December 2023 (continued)

3. Judgements in applying accounting policies and key sources of estimation uncertaintly (continued)

Useful economic lives of non-financial assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the non-financial assets, and note 2.7 for the useful economic lives for each class of assets.

Impairment of debtors

The LLP makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the aging profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors and any associated impairment provision.

4. Turnover

Turnover, which is stated net of VAT, represents fees for the provision of advisory services in the UK to entities based in Jersey.

5. Administration expenses

Administration expenses include salaries, travel costs, professional fees and office expenses and foreign exchange gains and losses.

6. Operating profit

Operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of owned fixed assets	1,960,321	112,042
Operating lease rental - land and buildings	1,404,445	1,942,125
Foreign exchange gain	(113,043)	(66,148)
Auditor's remuneration		
- audit services	23,050	21,975

7. Information in relation to members

	2023	2022
	£	£
Profit for the year available for discretionary division among members	18,106,550	19,279,073
The profit that is attributable to the member with the largest entitlement to profit is	6,278,929	6,711,817

The average number of members during the year ended 31 December 2023 was 3 (2022: 4).

Notes to the financial statements for the year ended 31 December 2023 (continued)

8. Employee Information

The average number of staff employed by the LLP during the year ended 31 December 2023 were as follows:

	2023	2022
Investment team	9	10
Management staff	3	4
Support staff	30	21
	42	35

The aggregate payroll costs were:

	2023	2022
	£	£
Wages and salaries	10,673,356	9,340,628
Social security costs	1,798,198	1,476,671
Other pension costs	462,728	400,146
	12,934,282	11,217,445

9. Tangible fixed assets

	Leasehold property	Furniture	Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2023	10,934,065	967,324	824,275	12,725,664
Additions	4,144,076	240,480	371,357	4,755,913
Disposals	-	-	(83,100)	(83,100)
At 31 December 2023	15,078,141	1,207,804	1,112,532	17,398,477
Depreciation				
At 1 January 2023	122,340	169,521	146,559	438,420
Charge for the year	1,575,925	171,142	213,254	1,960,321
Disposals	-	-	(83,100)	(83,100)
At 31 December 2023	1,698,265	340,663	276,713	2,315,641
Net book value				
At 31 December 2023	13,379,876	867,141	835,819	15,082,836
At 31 December 2022	10,811,725	797,803	677,716	12,287,244

Notes to the financial statements for the year ended 31 December 2023 (continued)

10. Debtors

	2023	2022
	£	£
Due from related parties	-	2,712,179
Employees loans	252,847	411,997
VAT receivables	630,015	710,590
Other debtors	839,688	1,436,373
Prepayments and accrued income	560,697	417,241
	2,283,247	5,688,380

Included within other debtors is a receivable from City of Westminster of £164,546 (2022: £80,477), a rent deposit of £540,000 (2022: £1,264,906) falling due after one year and an amount of £78,115 (2022: £76,845), which falls due after one year and relates to loans made through a peer to peer market place. During the year ended 31 December 2023 new loans of £39,273 were made to employees, interest of £20,049 was charged and £218,472 was repaid by employees. As at 31 Dec 2023 £252,847 (2022: £411,997) was due from employees. These loans bear interest at the rate of 1% above the secured overnight financing rate (SOFR) and are repayable in five equal instalments commencing on 31 December in the year following the drawdown.

11. Cash at bank

Included in cash at bank is an amount of £116,310 (2022: £116,034), which has been collaterised by the bank in support of a Bond to cover credit card and financial facilities.

12. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	921,417	493,497
Amounts owed to related parties	824,631	-
Other taxation and social security	1,781,725	1,689,909
Other creditors	376,950	813,798
Lease incentive	145,467	113,799
Accruals and deferred income	1,145,900	1,521,796
	5,196,090	4,632,799

13. Analysis of net debt

	Balance at 1 January 2022	Arising from cash flows	Arising from non cash flows	Balance at 31 December 2023
Cash at bank	5,192,663	691,338	-	5,884,002
Net debt (before members debt)	5,192,663	691,338	-	5,884,002
Other amounts due to members	(16,780,274)	15,973,196	(18,106,552)	(18,913,630)
Members capital	(890,913)	-	-	(890,913)
Net debt	(12,478,524)	16,664,534	(18,106,552)	(13,920,541)

Notes to the financial statements for the year ended 31 December 2023 (continued)

14. Members' interests

	Members' capital classified as equity £	Other reserves £	Total Members' other interests £	Other debts due to/(from) Members £	Total £	Total Members' interests 31 December 2022 £
Amounts due to members				16,780,274		
Amounts due from members				-		
Balance at 1 January 2023	890,913	-	890,913	16,780,274	17,671,187	14,716,946
Profit for the financial year available for discretionary division amongst members	-	18,106,550	18,106,550	-	18,106,550	19,279,073
Members' interests after profit for the year	890,913	18,106,550	18,997,463	16,780,274	35,777,737	33,996,019
Division of profits	-	(18,106,550)	(18,106,550)	18,106,550	-	-
Repayments of capital	-	-	-	-	-	(10,000)
Drawings	-	-	-	(15,973,194)	(15,973,194)	(16,314,832)
Balance at 31 December 2023	890,913	-	890,913	18,913,630	19,804,543	17,671,187
Amounts due to members				18,913,630		

On winding up, if profits allow, the members shall be entitled to their profit allocation as normal, then a return of their capital contribution. The members will rank equally with other non-preferential creditors of the LLP.

15. Financial Instruments

At 31 December 2023 the LLP held forward foreign exchange contracts to hedge currency exposure of future income.

The notional principal amounts of these contracts as at 31 December 2023 amounted to £46,000,000 (2022: £28,000,000).

The contracts were/are due to be settled in January 2024, July 2024 and January 2025 (2022: January 2023 and July 2023). The net fair value gains/(losses) on these open contracts as at 31 December 2023, determined by reference to their market values, were as follows:

	2023 £	2022 £
Forward foreign exchange contracts:		
Fair value at 1 January	(864,301)	200,810
Movement in unrealised gains/(losses)	2,614,849	(1,065,111)
Fair value at 31 December	1,750,548	(864,301)
Due to be settled with one year	1,375,638	(864,301)
Due to be settled between one and five years	374,910	-
	1,750,548	(864,301)

Notes to the financial statements for the year ended 31 December 2023 (continued)

16. Operating lease commitments

At 31 December 2023 the LLP had the following annual commitments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Land and buildings		
Payable within one year	1,158,700	1,238,617
Payable between one and five years	4,566,301	4,608,700
Payable after five years	-	1,116,301
Total payable	5,725,001	6,963,618

Under the non-cancellable operating lease the LLP is committed to paying service charges until the end of the lease term. The service charge is variable and is calculated each year by the landlord. During the year ended 31 December 2023 service charges amounted to £132,400 (2022: £115,333).

17. Related party transactions

Index Venture Associates V Limited, Index Venture Growth Associates II Limited, Index Venture Associates VI Limited, Index Venture Life Associates VI Limited, Index Venture Associates VII Limited, Index Venture Associates VIII Limited, Index Venture Growth Associates III Limited, Index Venture Associates IX Limited, Index Venture Growth Associates IV Limited, Index Venture Associates X Limited, *Index Venture Growth Associates V Limited, Index Associates I Origin Ltd, Index Venture Associates XI Limited*, Index Venture Growth Associates VI Limited and Index Associates II Origin Ltd ("Index Group"), all of whom are registered in Jersey are related parties as they share common beneficial owners.

During the year end 31 December 2023, the LLP provided services on an arm's length basis totalling £40,426,032 (2022: £40,565,134) to these entities.

As at 31 December 2023 £811,548 was owed to these companies (2022: £2,712,179 was due from these entities).

Index Ventures (U.S.) Inc., which is registered in the United States, is a related party as it and the LLP are fellow subsidiaries of Index Ventures SA.

During the years ended 31 December 2023 and 31 December 2022, the LLP received payments on behalf of Index Ventures (U.S.) Inc. and as at 31 December 2023 the LLP owed £13,083 (2022: £nil) Index Ventures (U.S.) Inc. and is included in amounts due to related parties.

Key management are considered to be the Members of the LLP – see note 7 for disclosure of members' remuneration.

18. Ultimate parent company

The members regard Index Ventures S.A., a company registered in Switzerland as the ultimate parent company and Index Venture Services Limited, a company incorporated in England, as the immediate parent company and has included the LLP in its consolidated financial statements.

As at 31 December 2023 £429,099 (2022: £429,099) was owed by the LLP to IVS Ltd.