



[REDACTED]

28 October 2020

[REDACTED]

Freedom of Information request: FOI2020/00332

Thank you for your Freedom of Information request received on the 4 October in which you requested the following:

Your request:

This request for information is made under Freedom of Information.

Background: The Baker Report, published in August 1999, identified the need and opportunity to commercialise government intellectual property arising from publicly funded research output in the Public Sector Research Establishments (PSREs).

An implementation plan published by HM Treasury, called "Implementing Baker: Developing the Bridge between Public Sector Science and the Market", was published in May 2000 and resulted, inter alia, in the setting up of the Rainbow Seed Fund in 2001, now renamed the UK Innovation and Science Seed Fund LP (Company number LP007823 at Companies' House), hereafter "the Fund".

We understand the Fund has been managed since, or shortly after its set up, by a private company in Birmingham called Midven Ltd.

Question 1: What is the total amount of public money that has been put into the Fund since its creation?

Question 2: What is the total sum of money still held in the Fund at the present time, as measured in cash terms?

Question 3: What is the total value of all investments made by the Fund since its creation?

Question 4: What is the total sum of money that has been returned to the Fund since its creation, from exits from investments made?

Question 5: What is the current value of investments from the Fund that are still held within investees, as measured by the most recent audited accounts of such investee companies?

Question 6: How much money has been paid in management and administrative expenses since the Fund was created including but not limited to fees paid to Midven Ltd? [please provide as detailed a breakdown as is possible].

Question 7: How often is the contract to manage the Fund re-tendered in open competition to prospective organisations capable of such work?

Our response

I can confirm UK Research and Innovation (UKRI) hold some information relevant to your request.

Under Section 21 - Information already reasonably accessible, of the FOIA some of the information you have requested is already available in the public domain in a recently published [report on the fund](#)¹.

Section 21 is an absolute exemption which means that there is no requirement to conduct a public interest test.

¹ <https://ukinnovationscienceseedfund.co.uk/wp-content/uploads/2020/03/UKI2S-FINAL-report-26.3.20.pdf>

The report provides a timeline and the total amounts of public funds that have gone into the fund. It also discusses the total investments to date and some of the returns to the Fund from exits from investments made. Other information in relation to questions 2, 5 and 6 is also already available in the public domain from audited accounts filed with Companies House.

The UK Innovation and Science Seed Fund (UKi2S) is a limited partnership; Limited Partnerships are not required to publish accounts through Companies House, however since 2016 the Fund has chosen to make them available in the public domain.

Prism (General Partner) Limited is the General Partner of the UKi2S fund. Since 2016, the accounts for the UKi2S Fund have been published on [Companies House](#)² as part of the filed accounts for Prism (General Partner) Limited. The most recent accounts (30 September 2019) for Prism (General Partner) Limited are available [here](#)³.

For ease of reference we have answered your points in turn as noted in your request:

Q1. What is the total amount of public money that has been put into the Fund since its creation?

£27m as referenced in the SQW report on the fund. The initial capital investment from DTI (now BEIS) was £4m. UKi2S has grown from an initial £4m to £27m of committed capital from its partners; this includes a specialist £10m sub-fund focused on the emerging field of synthetic biology provided in 2013.

Q2. What is the total sum of money still held in the Fund at the present time, as measured in cash terms?

£12m as referenced in the Prism Accounts.

Q3. What is the total value of all investments made by the Fund since its creation?

The fund has invested nearly £15m of equity funding since its first investments in 2002/3 to 57 start-up companies (as at March 2020), as referenced in the SQW report.

Q4. What is the total sum of money that has been returned to the Fund since its creation, from exits from investments made?

The total amount returned over the fund lifetime is not published, however three sales of portfolio companies to major international buyers since 2017 have returned nearly £9m to the Fund (yielding a profit of £7m). As an “evergreen” fund, these proceeds are recycled into further investments.

Q5. What is the current value of investments from the Fund that are still held within investees, as measured by the most recent audited accounts of such investee companies?

Information on current values (as published September 2019) of investments is provided in the Prism accounts.

Q6. How much money has been paid in management and administrative expenses since the Fund was created including but not limited to fees paid to Midven Ltd? [please provide as detailed a breakdown as is possible].

Information on management and administrative expenses including fees paid to Midven Ltd are provided in the Prism (General Partner) Ltd [accounts](#)⁴ available at Companies House.

Q7. How often is the contract to manage the Fund re-tendered in open competition to prospective organisations capable of such work?

The UKi2S fund is a limited partnership, and Prism (General Partner) Limited is the General Partner of the limited partnership. Under the limited partnership agreement the contract for management of the fund is the responsibility of Prism (General Partner) Limited and was placed at the outset.

If you have any queries regarding our response or you are unhappy with the outcome of your request and wish to seek an internal review of the decision, please contact:

Head of Information Governance

Email: foi@ukri.org or infogovernance@ukri.org

² <https://www.gov.uk/get-information-about-a-company>

³ <https://find-and-update.company-information.service.gov.uk/company/04404372/filing-history>

⁴ <https://find-and-update.company-information.service.gov.uk/company/04404372/filing-history>

Please quote the reference number above in any future communications.

If you are still not content with the outcome of the internal review, you may apply to refer the matter to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the review procedure provided by UKRI. The Information Commissioner can be contacted at: <http://www.ico.gov.uk/>

If you wish to raise a complaint regarding the service you have received or the conduct of any UKRI staff in relation to your request, please see UKRI's complaints policy: <https://www.ukri.org/about-us/policies-and-standards/complaints-policy/>

Yours sincerely,


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