

Company registration number 05797116 (England and Wales)

**THE ATHENA CAPITAL LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# THE ATHENA CAPITAL LTD

## COMPANY INFORMATION

---

<b>Directors</b>	Sanjay Agarwal Shailja Agarwal
<b>Secretary</b>	Shailja Agarwal
<b>Company number</b>	05797116
<b>Registered office</b>	68 St Margarets Road Edgware Middlesex HA8 9UU
<b>Auditor</b>	Ashley King Ltd 68 St. Margarets Road Edgware Middlesex HA8 9UU
<b>Business address</b>	57 Gloucester Place London W1U 8JH

---

# THE ATHENA CAPITAL LTD

## CONTENTS

---

	Page
Strategic report	1 - 3
Directors' report	4 - 5
Independent auditor's report	6 - 8
Profit and loss account	9
Statement of comprehensive income	10
Balance sheet	11
Statement of changes in equity	12
Statement of cash flows	13
Notes to the financial statements	14 - 23

---

# THE ATHENA CAPITAL LTD

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 MARCH 2022**

---

The directors present the strategic report for the year ended 31 March 2022.

### **Fair review of the business**

The principal activity of the Company is that of providing investments management services and support services to investment funds.

The Company has performed satisfactorily and within its strategic objectives for the year. The operating environment has been challenging and is likely to remain so for some time. The Company results for the year are shown on the profit and loss account which shows the key performance indicators, which are considered to be turnover, gross profit and operating profit. The position at the end of the year is shown on the balance sheet. The directors are optimistic about the future prospects of the Company and expect slow but steady growth in the future.

### **Principal risks and uncertainties**

A description of the principal risk and uncertainties faced by the Company are discussed in the relevant section of the Directors' report.

The process of risk management is addressed through a framework of policies, procedures and internal controls. Compliance with regulations, legal and ethical standards is a high priority for the company and is managed throughout the operational activities of the business and by each respective department. The Company has in place a risk management process to limit the adverse effects on the financial performance of the Company by monitoring the exposure of each respective risk. The policies are set by the Board of Directors. Given the size of the Company, the directors do not deem it necessary to delegate the responsibility of monitoring risk management to a sub-committee of the board.

### **Market Risk**

The Company has exposure to market risk in that it is reliant on a small number of investment funds for its principal sources of income. Fluctuations in markets conditions impact the investment funds, and this in turn has associated risks for the company. The directors believe this to be a monetary risk which is small and that they should be able to manage within its own resources.

The Company is focused on managing unit-based investments for clients mainly in Indian Markets. Fluctuations in these markets have an impact on the Company's position as well as on client positions. The directors believe this to be a risk, from a monetary as well as a reputational perspective.

The business has a strong dependence upon political stability in India. Any instability could affect the Company's revenue in the medium to long term.

# THE ATHENA CAPITAL LTD

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

---

### **Operational Risk**

Internal control and processes are very important to manage the following:-

The directors believe that whilst there will always remain operational risks. The company has managed these by contractual safeguards and systems and procedures in place.

Operational risk is the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from expected losses. The Company believes internal controls and processes are very important to manage these and it remains vigilant and takes appropriate action to mitigate operational risks.

### **Credit Risk**

The company does not have a significant exposure to credit risks, but when necessary it performs appropriate due diligence on potential customers before entering into any transactions. The Company ensures credit given is effectively managed. The Company's main focus is on providing management and support services to investment funds. Market fluctuations have an impact on the Company's positions in common with the competitors. The business has a strong dependence on the investment funds it services and they in turn are dependent on prevailing market conditions. The Company is optimistic about the future due to the fact as the markets are beginning to show signs of recovery and confidence returning.

### **Liquidity risk**

Liquidity risk is a risk that for a certain period of time a given financial asset, security or commodity cannot be traded quickly enough in the market without impacting the market price.

The Company actively maintains adequate levels of liquid resources to ensure sufficient funds are available to settle liabilities as they fall due

### **Interest rate risk**

There is minimal exposure to interest rate risk in relation to the assets and liabilities held due to no exposure to external borrowings. The Directors constantly monitor and will act accordingly to mitigate this risk should operations change in size or nature

### **Foreign currency risk**

The Company is exposed to currency risk across many of its operations including client and proprietary positions. The Company seeks to minimise exposure to currency risk at all times.

The Company has diversified its operation to different locations which has helped match foreign currency expenses and income. The Company also continuously monitors the movements in currency which it is exposed to and looks out for suitable opportunities to convert currency.

### **Strategy**

The company's strategy is to continue to grow organically, increasing the range of services will concentrate on providing quality services to its customers and will focus on building relations with new services in a continually evolving market place.

### **Steps taken to mitigate risks**

Directors consciously work towards diversifying the services by adding more diversity in the type of assets managed and the clients.

The company continues to investing resources to build stronger systems and processes which help in monitoring and mitigating risks.

The Company undertakes appropriate due diligence before accepting any new clients and funds and monitors these relationships on an ongoing basis

### **Key Performance indicators**

The Board consider that the key performance indicators for the Company are turnover, gross profit, and operating profit. These are set out in these financial statements in particular the profit and loss account.

# THE ATHENA CAPITAL LTD

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

---

### Other Information

#### Brexit Impact

The company is based in United Kingdom, and its trade is based mainly outside the European Union. Accordingly, we assume that there will be negligible impact of Brexit. Further, the company will not be required to obtain any new regulatory permissions or change the business on Brexit.

Most of funds are based out of Mauritius and Bermuda, and Cyprus and their objective is to invest into India with minimum exposures to UK and European equities. Hence, there has been negligible impact of Brexit on Company Results, and do not expect this to change. The company's employees are either British citizen or holding valid work visa in United Kingdom.

#### Covid 19 pandemic

The Company and all its stakeholders continue to face many challenges as a result of the Global Pandemic. In common with most businesses the company will take its responsibilities toward all its stakeholders seriously. The Board is however confident that the working practices it has adopted will help it to safely continue operations. Technology has been embraced to find new ways of communications, with stakeholders.

### Section 172(1) Statement

The company, provides advisory and investment management services, which depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The company seeks to put its customers' best interests first, invests in its employees, supports the communities in which it operates and strives to generate sustainable profits for shareholders.

The Directors of have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in decision making at Board level.

Our vision, purpose, sustainability pillars and values are set out in the Strategic report, as are the risks facing our organisation and the mitigating action we take, our environmental, social and governance practices, examples of stakeholder engagement and information about our engagement with employees, shareholders and suppliers.

On behalf of the board

Sanjay Agarwal  
**Director**

27 July 2022

# THE ATHENA CAPITAL LTD

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2022

---

The directors present their annual report and financial statements for the year ended 31 March 2022.

#### Principal activities

The principal activity of the company during the period was that of advisory and investment management.

#### Directors

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

Sanjay Agarwal  
Shailja Agarwal

#### Supplier payment policy

The current policy concerning the payment of trade creditors is to, agree terms of payment with suppliers for each transaction, and where material the relevant terms are contractually agreed. The company policy is to discharge its obligations in accordance with agreed terms.

#### Fixed assets

In the opinion of the directors there is no material difference between the book value and the current open market value of the company's interests in land and buildings.

#### Auditor

Ashley King Ltd were appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

#### 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

## **THE ATHENA CAPITAL LTD**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2022***

---

#### **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.

On behalf of the board

Sanjay Agarwal  
**Director**

27 July 2022



# THE ATHENA CAPITAL LTD

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE ATHENA CAPITAL LTD

---

#### Opinion

We have audited the financial statements of The Athena Capital Ltd (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 company's affairs as at 31 March 2022 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.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's 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 directors 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 directors are responsible for the other information contained within the annual report. 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. 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.

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

# THE ATHENA CAPITAL LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE ATHENA CAPITAL LTD

---

### 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 strategic report and the directors' report. We have nothing to report in respect of the following matters in relation to which 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 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.

### 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Assessed the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team and involving relevant internal specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

# THE ATHENA CAPITAL LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE ATHENA CAPITAL LTD

---

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Rajendrakumar Patel (Senior Statutory Auditor)**  
**For and on behalf of Ashley King Ltd**

27 July 2022

**Chartered Accountants**  
**Statutory Auditor**

68 St. Margarets Road  
Edgware  
Middlesex  
HA8 9UU

# THE ATHENA CAPITAL LTD

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover		1,390,001	1,239,267
Cost of sales		(138,941)	(201,548)
<b>Gross profit</b>		<b>1,251,060</b>	<b>1,037,719</b>
Administrative expenses		(809,999)	(842,842)
<b>Operating profit</b>		<b>441,061</b>	<b>194,877</b>
Interest receivable and similar income		16,956	25,434
Amounts written off investments		(6,578)	(745)
<b>Profit before taxation</b>		<b>451,439</b>	<b>219,566</b>
Tax on profit	4	(86,355)	(42,078)
<b>Profit for the financial year</b>		<b>365,084</b>	<b>177,488</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# THE ATHENA CAPITAL LTD

## STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 MARCH 2022*

---

	2022 £	2021 £
Profit for the year	365,084	177,488
Other comprehensive income	-	-
Total comprehensive income for the year	<u>365,084</u>	<u>177,488</u>

# THE ATHENA CAPITAL LTD

## BALANCE SHEET

AS AT 31 MARCH 2022

		2022	2021
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	5	9,935	14,323
Investments	6	640,000	-
		<u>649,935</u>	<u>14,323</u>
<b>Current assets</b>			
Debtors	8	21,539	66,275
Investments	9	8,091	6,175
Cash at bank and in hand		1,711,364	2,160,257
		<u>1,740,994</u>	<u>2,232,707</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(423,889)</u>	<u>(544,769)</u>
<b>Net current assets</b>		<u>1,317,105</u>	<u>1,687,938</u>
<b>Total assets less current liabilities</b>		<u>1,967,040</u>	<u>1,702,261</u>
<b>Provisions for liabilities</b>		<u>(2,416)</u>	<u>(2,721)</u>
<b>Net assets</b>		<u><u>1,964,624</u></u>	<u><u>1,699,540</u></u>
<b>Capital and reserves</b>			
Called up share capital		150,000	150,000
Profit and loss reserves		1,814,624	1,549,540
<b>Total equity</b>		<u><u>1,964,624</u></u>	<u><u>1,699,540</u></u>

The financial statements were approved by the board of directors and authorised for issue on 27 July 2022 and are signed on its behalf by:

Sanjay Agarwal  
Director

Company Registration No. 05797116

# THE ATHENA CAPITAL LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 April 2020</b>	150,000	1,472,052	1,622,052
<b>Year ended 31 March 2021:</b>			
Profit and total comprehensive income for the year	-	177,488	177,488
Dividends	-	(100,000)	(100,000)
<b>Balance at 31 March 2021</b>	150,000	1,549,540	1,699,540
<b>Year ended 31 March 2022:</b>			
Profit and total comprehensive income for the year	-	365,084	365,084
Dividends	-	(100,000)	(100,000)
<b>Balance at 31 March 2022</b>	150,000	1,814,624	1,964,624

# THE ATHENA CAPITAL LTD

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022	2021
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	12	322,403	253,067
Income taxes paid		(39,411)	(104,163)
<b>Net cash inflow from operating activities</b>		282,992	148,904
<b>Investing activities</b>			
Purchase of tangible fixed assets		(741)	(18,756)
Receipts from associates		(640,000)	-
Proceeds on disposal of investments		(8,494)	(5,770)
Interest received		16,956	25,434
<b>Net cash (used in)/generated from investing activities</b>		(632,279)	908
<b>Financing activities</b>			
Dividends paid		(100,000)	(100,000)
<b>Net cash used in financing activities</b>		(100,000)	(100,000)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(449,287)	49,812
Cash and cash equivalents at beginning of year		2,153,988	2,104,176
<b>Cash and cash equivalents at end of year</b>		1,704,701	2,153,988
<b>Relating to:</b>			
Cash at bank and in hand		1,711,364	2,160,257
Bank overdrafts included in creditors payable within one year		(6,663)	(6,269)



# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

---

### **1 Accounting policies**

#### **Company information**

The Athena Capital Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 68 St Margarets Road, Edgware, Middlesex, HA8 9UU.

#### **1.1 Accounting convention**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, after any applicable sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### **1.3 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 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:

Fixtures, fittings & equipment	Over 4 years on a straight line basis
--------------------------------	---------------------------------------

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.

#### **1.4 Fixed asset investments**

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Fixed asset investment represents a secured loan made to an associate for a term of 5 years, on which interest is payable at 2.5% per annum, payable quarterly in arrears. The loan is repayable on or before 25th June 2026.

#### **1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

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.

#### 1.7 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 balance sheet 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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **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.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.8 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.

### 1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

### 1.10 Taxation

The tax expense represents the tax currently payable.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for only material timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 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 Employees

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

	2022 Number	2021 Number
Total	7	7

### 4 Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	86,607	39,357
Adjustments in respect of prior periods	53	-
Total current tax	86,660	39,357
<b>Deferred tax</b>		
Origination and reversal of timing differences	(305)	2,721
Total tax charge	86,355	42,078

# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 5 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 April 2021	22,096
Additions	741
	<hr/>
At 31 March 2022	22,837
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2021	7,773
Depreciation charged in the year	5,129
	<hr/>
At 31 March 2022	12,902
	<hr/>
<b>Carrying amount</b>	
At 31 March 2022	9,935
	<hr/>
At 31 March 2021	14,323
	<hr/>

### 6 Fixed asset investments

	2022 £	2021 £
Loans to group undertakings and participating interests	640,000	-
	<hr/>	<hr/>
<b>Movements in fixed asset investments</b>		
		Loans to associates £
<b>Cost or valuation</b>		
At 1 April 2021		-
Additions		640,000
		<hr/>
At 31 March 2022		640,000
		<hr/>
<b>Carrying amount</b>		
At 31 March 2022		640,000
		<hr/>
At 31 March 2021		-
		<hr/>

Fixed asset investment represents a secured loan made to an associate for a term of 5 years, on which interest is payable at 2.5% per annum, payable quarterly in arrears. The loan is repayable on or before 25th June 2026

# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 7 Financial instruments

	2022	2021
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	8,091	6,175

### 8 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	4,250	6,015
Other debtors	17,289	60,260
	<u>21,539</u>	<u>66,275</u>

### 9 Current asset investments

	2022	2021
	£	£
Other investments	<u>8,091</u>	<u>6,175</u>

The above represents investment in quoted company, which are all classified as financial instruments.

### 10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	6,663	6,269
Trade creditors	11,957	42,029
Corporation tax	86,607	39,357
Other taxation and social security	4,512	4,211
Other creditors	<u>314,150</u>	<u>452,903</u>
	<u>423,889</u>	<u>544,769</u>

### 11 Related party transactions

Amounts due to directors at the period end was £79,817 (2021 - £70,000) and to the other shareholder's was £45,000 (2021 - £65,000)

Remuneration and pension contributions for key management personnel for the year was £482,200 (2021 - £293,100).

A loan of £640,000 has been made to an associate further details in respect of which are given under fixed asset investments.

# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 12 Cash generated from operations

	2022 £	2021 £
Profit for the year after tax	365,084	177,488
<b>Adjustments for:</b>		
Taxation charged	86,355	42,078
Investment income	(16,956)	(25,434)
Depreciation and impairment of tangible fixed assets	5,129	5,524
Other gains and losses	6,578	745
<b>Movements in working capital:</b>		
Decrease in debtors	44,737	55,368
Decrease in creditors	(168,524)	(2,702)
<b>Cash generated from operations</b>	<b>322,403</b>	<b>253,067</b>

### 13 Analysis of changes in net funds

	1 April 2021 £	Cash flows £	31 March 2022 £
Cash at bank and in hand	2,160,257	(448,893)	1,711,364
Bank overdrafts	(6,269)	(394)	(6,663)
	<b>2,153,988</b>	<b>(449,287)</b>	<b>1,704,701</b>

### 14 Non-audit services provided by the auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.



# THE ATHENA CAPITAL LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 15 Regulatory Disclosures

#### 15.1 Governance:

The company has two Directors. The Directors of the Company determine its business strategy and risk appetite along with designing and implementing a risk management framework that recognises the risks that the business faces. They also determine how those risks may be mitigated and assess on an ongoing basis the arrangements to manage those risks. The directors also hold directorships in other companies; (Shailja Agarwal – 3, Sanjay Agarwal – 9). Due to the size of the Company and its Board, no board diversity policies are deemed necessary at present.

#### 15.2 Own funds and Reconciliation:

The table below provides information on regulatory capital and financial highlights of the Company. The Company holds capital in-excess of the regulatory requirement.

**Composition of regulatory own funds – source based on references to Balance Sheet (page12) in audited financial statements**

Item	Amount (£'000)
OWN FUNDS	1964
TIER 1 CAPITAL	1964
COMMON EQUITY TIER 1 CAPITAL	<b>1964</b>
Fully paid-up capital instruments	150
Retained earnings	1814

Reconciliation of regulatory own funds to balance sheet at 31st Dec 2021 in the audited financial statements (Cross referenced to template OF1 (c))

#### ASSETS

Fixed Assets	
Tangible Assets	9
Investments	640
Current Assets	
Debtors	21
Investments	8
Cash at bank and in hand	1711
<b>Total Assets</b>	<b>2389</b>

#### LIABILITIES

Creditors: amounts falling due within one year	423
Provisions for liabilities	2
<b>Total Liabilities</b>	<b>425</b>

#### SHAREHOLDER'S EQUITY

Capital and Reserves	
Called up share capital	150
Profit and loss reserves	1814
<b>Total Shareholders' equity</b>	<b>1964</b>

## THE ATHENA CAPITAL LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

---

15.3 The table below represents the breakdown of K-Factor requirements of the Company:

Item	Amount (£'000)
1. Sum of K-AUM requirement, K-CMH requirement and K-ASA requirement	68
2. Sum of K-COH requirement	2
3. Fixed overhead requirement	403

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.