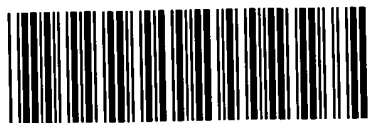


**Amber Capital UK Holdings Limited**  
**Consolidated Report and Financial Statements**  
**For the Year Ended 31 December 2021**

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**Amber Capital UK Holdings Limited**

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**Company Information**

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<b>Director</b>	Cameron Brown
<b>Registered number</b>	05938588
<b>Registered office</b>	Kent House 14 - 17 Market Place London W1W 8AJ
<b>Independent auditors</b>	Haysmacintyre LLP 10 Queen St Place London EC4R 1AG
<b>Bankers</b>	The Royal Bank of Scotland 62 - 63 Threadneedle Street London EC2R 8LA  HSBC Bank Fenchurch Street Branch 60 Fenchurch Street London EC3M 4AQ  Barclays Bank Plc Leicester Leicestershire LE87 2BB
<b>Solicitors</b>	Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS

**Group Strategic Report  
For the Year Ended 31 December 2021**

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The director presents his Strategic Report for the year ended 31 December 2021 for Amber Capital UK Holdings Limited (the "Company") and its subsidiary, Amber Capital UK LLP (the "LLP") (together the "Group").

**Principal activity**

The principal activity of the Company in the year was to act as a service company to the LLP.

The LLP's principal activity is providing investment management services to (i) PrivilEdge – Amber Event Europe; (ii) Amber Capital Investment Management ICAV, Amber Global Opportunities Limited, Amber Active Investors Limited, Amber Selective Opportunities Fund, Amber Strategic Opportunities Fund, and (iii) Oviedo Investments SCSp and Oviedo Holdings S.à.r.l.. The LLP is regulated and authorised by the Financial Conduct Authority. The LLP also provides execution and other services to Amber Capital Italia SGR S.p.A..

**Business review**

The Group's financial statements show a profit for the financial year of £5,006,982 (2020: £2,073,502) as disclosed in the Consolidated Statement of Comprehensive Income. The profit has decreased from the previous year due to a reduction in turnover caused by volatility across the portfolio of funds attributable to the COVID-19 pandemic. The director is satisfied with the performance of the Group for the year ended 31 December 2021.

**Principal risks and uncertainties**

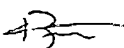
The principal risks and uncertainties affecting the Group relate to the performance of the underlying funds the LLP manages and the impact that poor performance has on the ability to attract and retain investors. The funds advised by the Group and its affiliates are subject to various market risks which may be impacted by wider market trends. To the extent possible, the Group continues to monitor and improve its controls and processes to provide the proper infrastructure for managing its clients' assets. Other risks and uncertainties relate to the ability to attract and retain key investment executives.

The Company operates systems and controls to mitigate any adverse effects across the range of risks that it faces. The Company has no significant exposure to price, credit or interest rate risk.

**Financial key performance indicators**

The Company's activities relate directly to those of its subsidiary, the LLP. The key performance indicators are therefore linked to those of the LLP which relate to the growth of assets under management and the performance of the funds managed. Given the straightforward nature of the business, the director is of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the board on 24 March 2022 and signed on its behalf by:



**Cameron Brown**  
Director

**Director's Report  
For the Year Ended 31 December 2021**

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The director presents his report and the audited consolidated financial statements for the year ended 31 December 2021.

**Results and dividends**

The profit for the year amounted to £5,006,982 (2020: £2,073,502). No dividends have been proposed or paid during the year (2020: £nil).

**Director**

The director of the Company in office during the year and up to the date of signing the financial statements was:

Cameron Brown

**Charitable donations**

During the year, the Company made charitable contributions of £nil (2020: £nil).

**Future developments**

The director does not anticipate any future developments or changes to the principal activities of the Company or the Group.

**Going concern**

The director has assessed the going concern status of the Group and concluded that there are no material uncertainties that may cast significant doubt about the Group's ability to continue as a going concern. The Group has sufficient liquid resources to ensure that it can meet its liabilities as they fall due over the next 12 months from the date of this report.

The director has therefore continued to adopt the going concern basis in preparing these financial statements.

**Indemnity**

The director has been covered by third party liability insurance throughout the year and the policy of insurance remains in force.

**Disclosure of information to auditors**

The director is not aware of any relevant audit information, being information needed by the auditors in connection with preparing its report, of which the Group's auditors is unaware. The director also confirms that he has taken all steps required that he ought to have taken as a director in order to make himself aware of any relevant audit information, and to establish that the auditors are aware of that information.

**Independent Auditors**

The auditors, Haysmacintyre LLP, were appointed during the year and have indicated their willingness to continue in office. They will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 24 March 2022 and signed on its behalf by:



**Cameron Brown**  
Director

**Director's Responsibilities Statement  
For the Year Ended 31 December 2021**

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The director is responsible for preparing the Group Strategic Report, the Director's Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the Group and Company financial statements in accordance with Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group and Company for that year. In preparing these financial statements, the director is required to: applicable law and

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

The director is also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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**Independent Auditor's Report to the Members of Amber Capital UK Holdings Limited**

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**Opinion**

We have audited the financial statements of Amber Capital UK Holdings Limited ("the parent Company") and its subsidiaries, together ("the Group") for the year ended 31 December 2021 which comprise: the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group and Company Statement of changes in Equity, the Group Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 Group's and of the parent company's affairs as at 31 December 2021 and of the Group's 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 Group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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**

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the Group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Group and parent company financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Independent Auditor's Report to the Members of Amber Capital UK Holdings Limited (continued)**

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**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, 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 Group's and the parent 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 Group or the parent 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.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.**

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the investment advisory business and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, journals recorded at the end of the period with little or no description, journals that significant impact the profit/loss of the Group; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

*Bernadette King*

Bernadette King (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory  
Auditors Date: 31 March 2022

10 Queen Street Place  
London  
EC4R 1AG



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**Amber Capital UK Holdings Limited**

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**Consolidated Statement of Comprehensive Income  
For the Year Ended 31 December 2021**

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	Note	2021 £	2020 £
Turnover	4	10,369,988	8,322,577
Cost of sales	5	-	(2,321,248)
<b>Gross profit</b>		<b>10,369,988</b>	<b>6,001,329</b>
Administrative expenses		(5,358,369)	(3,895,549)
<b>Operating profit</b>	6	<b>5,011,619</b>	<b>2,105,780</b>
Interest receivable and similar income	9	103	2,195
<b>Profit before taxation</b>		<b>5,011,722</b>	<b>2,107,975</b>
Tax on profit	10	(4,740)	(34,473)
<b>Total comprehensive income for the year</b>		<b>5,006,982</b>	<b>2,073,502</b>

**Share of comprehensive income attributable to owners of the parent company and non-controlling interests:**

The non-controlling interests receive a discretionary allocation of profit based on the audited profit and comprehensive income for the year. The profit and total comprehensive income for the year is thus deemed to be fully attributable to the owners of the Company until the allocation to non-controlling interests is approved.

The allocation to non-controlling interests based on the profit and total comprehensive income for year ended 31 December 2020 amounted to £2,073,502. The allocation to the non-controlling interests from the profit and total comprehensive income for the year ended 31 December 2021 is yet to be determined and approved.

All activities derive from continuing activities.

There was no other comprehensive income for 2021 (2020: none).

Notes 1 to 20 form an integral part of these financial statements.

**Consolidated Statement of Financial Position**  
**As at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	11	21,795	20,692
<b>Current assets</b>			
Debtors: Amounts falling due within one year	13	7,491,711	3,043,084
Cash and cash equivalents	14	2,177,118	2,918,839
<b>Total current assets</b>		<b>9,668,829</b>	<b>5,961,923</b>
Creditors: Amounts falling due within one year	15	(2,141,728)	(2,375,141)
<b>Net current assets</b>		<b>7,527,101</b>	<b>3,586,782</b>
<b>Net assets</b>		<b>7,548,896</b>	<b>3,607,474</b>
<b>Capital and reserves</b>			
Called up share capital	16	2,672	2,672
Share premium account		2,669,328	2,669,328
Other reserves		489,873	489,873
Profit and loss account		4,207,454	1,273,974
<b>Total equity attributable to owners of the Company</b>		<b>7,369,327</b>	<b>4,435,847</b>
Non-controlling interest		179,569	(828,373)
<b>Total equity</b>		<b>7,548,896</b>	<b>3,607,474</b>

The financial statements were approved and authorised for issue by the board on 24 March 2022 and were signed on its behalf by:



**Cameron Brown**  
Director

Notes 1 to 20 form an integral part of these financial statements.

**Company Statement of Financial Position**  
**As at 31 December 2021**

	<b>Note</b>	<b>2021</b> £	<b>2020</b> £
<b>Fixed assets</b>			
Tangible fixed assets	11	21,153	19,536
Investments	12	<u>1,510,000</u>	<u>1,490,000</u>
		<b>1,531,153</b>	<b>1,509,536</b>
<b>Current assets</b>			
Debtors: Amounts falling due within one year	13	1,381,260	1,803,174
Cash and cash equivalents	14	<u>653,476</u>	<u>690,316</u>
<b>Total current assets</b>		<b>2,034,736</b>	<b>2,493,490</b>
Creditors: Amounts falling due within one year	15	<u>(1,203,544)</u>	<u>(1,640,681)</u>
<b>Net current assets</b>		<b>831,192</b>	<b>852,809</b>
<b>Net assets</b>		<b><u>2,362,345</u></b>	<b><u>2,362,345</u></b>
<b>Capital and reserves</b>			
Called up share capital	16	2,672	2,672
Share premium account		2,669,328	2,669,328
Other reserves		489,873	489,873
Profit and loss account		<u>(799,528)</u>	<u>(799,528)</u>
<b>Total equity</b>		<b><u>2,362,345</u></b>	<b><u>2,362,345</u></b>

**Company profit**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the Company for the year was £nil (2020: £nil).

The financial statements were approved and authorised for issue by the board on 24 March 2022 and were signed on its behalf by:



**Cameron Brown**  
Director

Notes 1 to 20 form an integral part of these financial statements.

Amber Capital UK Holdings Limited

**Consolidated Statement of Changes in Equity**  
For the Year Ended 31 December 2021

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity attributable to owners of the Company £	Non- controlling interest £	Total equity £
At 1 January 2020	2,672	2,669,328	489,873	1,419,821	4,581,694	(1,011,148)	3,570,546
Profit for the year	-	-	-	2,073,502	2,073,502	-	2,073,502
Capital introduced by non-controlling interests	-	-	-	-	-	10,000	10,000
Profit allocated to non-controlling interests	-	-	-	(2,219,349)	(2,219,349)	2,219,349	-
Other movements	-	-	-	-	-	(2,046,574)	(2,046,574)
<b>At 1 January 2021</b>	<b>2,672</b>	<b>2,669,328</b>	<b>489,873</b>	<b>1,273,974</b>	<b>4,435,847</b>	<b>(828,373)</b>	<b>3,607,474</b>
Profit for the year	-	-	-	5,006,982	5,006,982	-	5,006,982
Capital repaid by non-controlling interests	-	-	-	-	-	(20,000)	(20,000)
Profit allocated to non-controlling interests	-	-	-	(2,073,502)	(2,073,502)	2,073,502	-
Other movements	-	-	-	-	-	(1,045,560)	(1,045,560)
<b>At 31 December 2021</b>	<b>2,672</b>	<b>2,669,328</b>	<b>489,873</b>	<b>4,207,454</b>	<b>7,369,327</b>	<b>179,569</b>	<b>7,548,896</b>

Notes 1 to 20 form an integral part of these financial statements.

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**Amber Capital UK Holdings Limited**

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**Company Statement of Changes in Equity  
For the Year Ended 31 December 2021**

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	<b>Called up share capital £</b>	<b>Share premium account £</b>	<b>Other reserves £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
At 1 January 2020	2,672	2,669,328	489,873	(799,528)	2,362,345
Profit for the year	-	-	-	-	-
<b>At 1 January 2021</b>	<b>2,672</b>	<b>2,669,328</b>	<b>489,873</b>	<b>(799,528)</b>	<b>2,362,345</b>
Profit for the year	-	-	-	-	-
<b>At 31 December 2021</b>	<b>2,672</b>	<b>2,669,328</b>	<b>489,873</b>	<b>(799,528)</b>	<b>2,362,345</b>

Notes 1 to 20 form an integral part of these financial statements.

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**Consolidated Statement of Cash Flows  
For the Year Ended 31 December 2021**

	Note	2021 £	2020 £
<b>Cash flow from operating activities</b>			
Profit for the year		5,006,982	2,073,502
<b>Adjustments for:</b>			
Depreciation of tangible fixed assets		17,152	19,284
Loss on disposal of tangible fixed assets		-	441
Interest receivable and similar income		(103)	(2,195)
Taxation charged to statement of comprehensive income		4,740	34,473
(Increase)/decrease in debtors		(4,448,627)	1,579,738
Decrease in creditors		(207,248)	(626,673)
Corporation tax paid		(30,905)	(33,288)
<b>Net cash generated from operating activities</b>		<b>341,991</b>	<b>3,045,282</b>
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets		(18,255)	(8,138)
Interest received		103	2,195
<b>Net cash used in investing activities</b>		<b>(18,152)</b>	<b>(5,943)</b>
<b>Cash flow from financing activities</b>			
Capital introduced by non-controlling interests		-	10,000
Capital repaid by non-controlling interests		(20,000)	-
Distributions paid to non-controlling interests		(1,045,560)	(2,046,574)
<b>Net cash used in financing activities</b>		<b>(1,065,560)</b>	<b>(2,036,574)</b>
<b>Net (decrease)/increase in cash and cash equivalent</b>		<b>(741,721)</b>	<b>1,002,765</b>
Cash and cash equivalents at beginning of the year		2,918,839	1,916,074
<b>Cash and cash equivalents at the end of the year</b>	14	<b>2,177,118</b>	<b>2,918,839</b>
<b>Analysis of changes in net debt</b>			
	At 1 January 2021 £	Cash Flows £	At 31 December 2021 £
<b>Cash and cash equivalents</b>			
Cash	2,918,839	(741,721)	2,177,118

Notes 1 to 20 form an integral part of these financial statements.

**Notes to the Financial Statements  
For the Year Ended 31 December 2021**

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**1. General information**

Amber Capital UK Holdings Limited ("the Company") is a company limited by shares incorporated and domiciled in England. The principal place of business and registered office of the Company, and its subsidiary undertaking Amber Capital UK LLP, is Kent House, 14 - 17 Market Place, London, W1W 8AJ.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

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

The principal accounting policies applied in preparation of these consolidated and Company financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its subsidiary undertaking. Intercompany transactions and balances between Group entities are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**2.3 Foreign currency translation**

*Functional and presentation currency*

The Company and the Group's functional currency and presentational currency is British Pounds Sterling (GBP).

*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 year-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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

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**2. Accounting policies (continued)****2.4 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents management and performance fees for investment management services provided directly to the funds and fees arising from services charged to Amber Capital Management LP, a related entity domiciled in Delaware, United States of America, and Amber Capital Italia SGR S.p.A., a related entity domiciled in Italy.

Turnover is recognised on an accruals basis when the services have been performed and all of the following conditions are satisfied:

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

**2.5 Cost of sales**

Cost of sales, which are stated net of value added taxes, represent fees payable under a revenue sharing arrangement. Direct costs are recognised on an accruals basis, when the LLP has the right to receive the turnover to which the sharing arrangement relates.

**2.6 Pensions****Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in other creditors as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**2.7 Operating leases**

Operating leases are those leases where the Group has use of an asset but where significantly all risks and rewards of ownership remain with the lessor and the lease term is not expected to be a significant portion of the useful life of the asset.

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the period of the lease.

Any incentives to enter into an operating lease are credited to the Consolidated Statement of Comprehensive Income as a reduction of the rental expense on a straight-line basis over the term of the lease.

**2.8 Interest income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.



**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

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**2. Accounting policies (continued)**

**2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.10 Tangible fixed assets**

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for an asset to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of tangible 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 Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the year in which they are incurred.

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 4 years straight line
Office equipment	- 4 years straight line
Computer equipment	- 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

**Notes to the Financial Statements (continued)  
For the Year Ended 31 December 2021**

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**2. Accounting policies (continued)**

**2.11 Financial instruments**

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

The basis for recognition and measurement of financial instruments is as set out in these accounting policies.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) 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.

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

Financial assets and liabilities are offset and the net amounts presented in the financial statements 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.

**2.12 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.13 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. Where there is a possibility that debtors may not be recoverable the LLP provides for a provision against the applicable debtor and amounts are stated net of the provision.

**2.14 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**2.15 Creditors**

Short-term creditors are measured at transaction price.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

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**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical judgements in applying the entity's accounting policies**

The director does not believe there are any critical judgements (apart from those involving estimates) which have had a significant effect on the amounts recognised in the financial statements.

**(b) Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The Group's main areas of estimation and assumptions are accrued expenses, the useful economic life of assets and the recoverability of debtors. The resulting accounting estimates could differ from the related actual results. These estimates and assumptions do not have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**4. Turnover**

Turnover is earned from the following classes of business:

	2021 £	2020 £
Investment advisory and administrative services	9,729,783	7,957,752
Management fees	640,205	364,825
	<u>10,369,988</u>	<u>8,322,577</u>

Turnover was earned from the following destinations:

	2021 £	2020 £
Europe	853,242	693,520
Rest of the World	9,516,746	7,629,057
	<u>10,369,988</u>	<u>8,322,577</u>

**5. Cost of sales**

	2021 £	2020 £
Advisory fees	-	2,321,248

**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

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**6. Operating profit**

The operating profit is stated after charging:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	17,152	19,284
Loss on disposal of tangible fixed assets	-	441
Fees payable to the Company's auditors for:		
- the audit of the Company's financial statements and its subsidiaries	25,250	21,850
Other operating lease rentals	246,658	246,658
Defined contribution pension cost	<u>46,224</u>	<u>61,597</u>

**7. Employees**

Staff costs were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,296,871	1,528,893
Social security costs	170,657	193,880
Pension costs	46,224	61,597
	<u><b>1,513,752</b></u>	<u><b>1,784,370</b></u>

The average monthly number of employees, excluding the director, during the year was as follows:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Administrative/fund management	<u><b>11</b></u>	<u><b>12</b></u>

**8. Director's remuneration**

During the year, the director did not receive any remuneration in respect of services provided to the Company and Group (2020: £nil).

Members of the Company's subsidiary, considered to be the key management personnel of the Group, received profit allocations totalling £2,073,502 (2020: £2,219,349) and drawings totalling £1,039,847 (2020: £2,068,860).

**9. Interest receivable and similar income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank and other interest receivable	<u><b>103</b></u>	<u><b>2,195</b></u>

**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

**10. Tax on profit**

**a) Taxation expense included in the Consolidated Statement of Comprehensive Income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Corporation tax	7,929	34,094
Adjustments in respect of previous periods	(3,189)	379
	<b>4,740</b>	<b>34,473</b>
<b>Tax on profit</b>	<b>4,740</b>	<b>34,473</b>

**b) Factors affecting tax charge for the year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
The tax assessed for the year is the same as (2020: same as) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:		
<b>Profit for the financial year before taxation</b>	<b>5,011,722</b>	<b>2,107,975</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%).	952,227	400,515
<b>Effects of:</b>		
Origination and reversal of timing differences	632	25,975
Permanent differences	7,297	1,569
Adjustments in respect of prior periods	(3,189)	379
Profits not subject to UK corporation tax	(952,227)	(393,965)
<b>Total taxation</b>	<b>4,740</b>	<b>34,473</b>

**c) Factors that may affect future tax charges**

The Government has proposed as part of the Finance Bill 2021 that the main corporation tax rate will increase to 25% for financial years beginning 1 April 2023 for Companies with profit in excess of £250,000. The current main corporation tax rate will continue to apply to companies with an annual profit of less than £50,000.

Notes to the Financial Statements (continued)  
For the Year Ended 31 December 2021

11. Tangible assets

Group	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost:</b>					
At 1 January 2021	40,470	9,800	18,357	214,984	283,611
Additions	-	4,934	-	13,321	18,255
<b>At 31 December 2021</b>	<b>40,470</b>	<b>14,734</b>	<b>18,357</b>	<b>228,305</b>	<b>301,866</b>
<b>Depreciation</b>					
At 1 January 2021	40,470	9,800	15,122	197,527	262,919
Charge for the year	-	909	2,416	13,827	17,152
<b>At 31 December 2021</b>	<b>40,470</b>	<b>10,709</b>	<b>17,538</b>	<b>211,354</b>	<b>280,071</b>
<b>Net book value</b>					
<b>At 31 December 2021</b>	<b>-</b>	<b>4,025</b>	<b>819</b>	<b>16,951</b>	<b>21,795</b>
<b>At 31 December 2020</b>	<b>-</b>	<b>-</b>	<b>3,235</b>	<b>17,457</b>	<b>20,692</b>
<b>Company</b>		<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost:</b>					
At 1 January 2021		9,800	18,357	211,536	239,693
Additions		4,934	-	13,321	18,255
<b>At 31 December 2021</b>		<b>14,734</b>	<b>18,357</b>	<b>224,857</b>	<b>257,948</b>
<b>Depreciation</b>					
At 1 January 2021		9,800	15,122	195,235	220,157
Charge for the year		909	2,416	13,313	16,638
<b>At 31 December 2021</b>		<b>10,709</b>	<b>17,538</b>	<b>208,548</b>	<b>236,795</b>
<b>Net book value</b>					
<b>At 31 December 2021</b>		<b>4,025</b>	<b>819</b>	<b>16,309</b>	<b>21,153</b>
<b>At 31 December 2020</b>		<b>-</b>	<b>3,235</b>	<b>16,301</b>	<b>19,536</b>

Notes to the Financial Statements (continued)  
For the Year Ended 31 December 2021

12. Investments

Company	Investment in subsidiaries £
<b>Cost</b>	
At 1 January 2021	1,490,000
Additions in year	20,000
<b>At 31 December 2021</b>	<b>1,510,000</b>

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding at 31 December 2021	Principal activity
Amber Capital UK LLP	United Kingdom	Capital contribution	97%	Investment management and advisory services

The aggregate of the member's capital and reserves as at 31 December 2021 and the profit for the year ended on that date for subsidiary undertakings are as follows:

Name	Aggregate of capital and reserves £	Profit £
Amber Capital UK LLP	7,878,728	5,006,982

13. Debtors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts owed by related undertakings	5,779,530	1,639,523	1,182,177	1,624,497
Other debtors	1,434,534	1,126,474	174,149	128,454
Prepayments and accrued income	277,647	277,087	24,934	50,223
	<b>7,491,711</b>	<b>3,043,084</b>	<b>1,381,260</b>	<b>1,803,174</b>

14. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	<b>2,177,118</b>	<b>2,918,839</b>	<b>653,476</b>	<b>690,316</b>

**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

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**15. Creditors: Amounts falling due within one year**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	176,362	1,295,343	61,851	788,006
Amounts due to related undertakings	116,516	-	715	-
Other creditors	620,917	8,955	-	7,226
Corporation tax payable	7,929	34,094	7,929	34,094
Other taxation and social security	42,304	32,510	42,304	32,510
Accruals and deferred income	1,177,700	1,004,239	1,090,745	778,845
	<b><u>2,141,728</u></b>	<b><u>2,375,141</u></b>	<b><u>1,203,544</u></b>	<b><u>1,640,681</u></b>

**16. Called up share capital**

	<b>Company</b>	<b>Company</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
2,672 (2020: 2,672) Ordinary shares of £1 each	<b><u>2,672</u></b>	<b><u>2,672</u></b>



**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

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**17. Reserves****Share premium account**

The share premium account includes all current and prior period premium arising on the issue of share capital.

**Other reserves**

Other reserves includes a capital contribution reserve created on the Group's restructure.

**Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses.

**18. Commitments under operating leases**

At 31 December 2021, the Group had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Not later than 1 year	273,785	273,785
Later than 1 year and not later than 5 years	547,570	821,355
	<b>821,355</b>	<b>1,095,140</b>

**19. Related party transactions**

Amber Capital UK LLP ("the LLP"), the Company's subsidiary:

During the year, charges of £4,688,193 (2020: £3,090,957) were made by the Company to the LLP. The amount due to the Company at 31 December 2021 was £1,182,177 (2020: £1,624,497).

Amber Capital Italia SGR S.p.A ("SGR"), an entity under common control:

During the year, the LLP charged execution, financial analysis and investor relation service fees of £213,037 (2020: £328,695) to SGR. SGR charged advisory services of £223,292 (2020: £347,277) to the LLP. At 31 December 2021, SGR owed £52,654 (2020: £357,384) to the Group.

Amber Capital Management LP ("ACM"), the ultimate parent undertaking:

During the year, the LLP charged service fees of £9,516,746 (2020: £7,629,057) to ACM. At 31 December 2021, the Group was owed £4,876,997 (2020: £922,884) from ACM.

Oviedo Investments SCSp ("Oviedo"), a fund which the LLP manages:

During the year, the LLP provided investment management services of £640,205 (2020: £364,825) to Oviedo. At 31 December 2021, the Group was owed £153,956 (2020: £123,869) by Oviedo. This amount is included within prepayments and accrued income within note 13.

Amber Capital LP ("ACLP"), an entity under common control:

During the year, the Group provided funding to and received funding from ACLP. At 31 December 2021, the group owed ACLP £116,516 (2020: £nil).

The director of the Company and the members of the LLP are considered to be the key management personnel of the Company and the Group. The aggregate of amount paid to key management personnel is disclosed in note 8.

**Notes to the Financial Statements (continued)**  
**For the Year Ended 31 December 2021**

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**19. Related party transactions (continued)**

Trade debtors due (to)/ from related parties at 31 December 2021 were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amber Active Investors Limited	283,651	-
Amber Capital Armenia CJSC	12,399	12,399
Amber Capital Cayman GP I	2,316	2,316
Amber Capital Lux GP I	1,187	1,187
Amber European Long Opportunities Fund	1,870	-
Amber Global Opportunities Limited	10	-
Amber Latin America LLC – Series Three	171,917	6,995
Amber Strategic Opportunities Fund	31,291	46,539
J4A II Holdings	5,539	3,532
Oviedo Investments ScSP	20,899	16,281
Oviedo Partners LP	65,588	60,326
PrivilEdge – Amber Event Europe	197,000	153,000
San Lazzaro Holdings LLC	15	2,263
San Lazzaro GP LP	(811)	8,580
Solférino	363	8,838
Amber Capital Italia SGR	56,645	-
	<b>849,879</b>	<b>322,256</b>

All amounts are unsecured, interest free and repayable upon demand.

**20. Controlling party**

The ultimate parent undertaking is Amber Capital Management LP, a limited partnership domiciled in the state of Delaware, United States of America.

The ultimate controlling party is Joseph Marie Oughourlian.