Registered number: 06445926

AGC EQUITY PARTNERS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

AGC EQUITY PARTNERS LIMITED

CONTENTS

COMPANY INFORMATION

DIRECTORS	Walid Abu-Suud Khalil Amiouni
COMPANY SECRETARY	M & N Group Limited
REGISTERED NUMBER	06445926
REGISTERED OFFICE	33 Davies Street London W1K 4BP
INDEPENDENT AUDITORS	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
BANKERS	Lloyds TSB Bank PLC 8/10 Waterloo Place London SW1Y 4BE

The directors present their strategic report on the Company for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company during the year was the provision of investment advisory and asset management services. The Company is authorised and regulated by the Financial Conduct Authority (FCA) within the United Kingdom, where the principal activities of the business are conducted.

RESULTS AND PERFORMANCE

The Company recorded a profit of £672,820 (2020 - £683,595) for the year and had a net asset position of £6,753,348 (2020 - £6,080,528) at the year end. The financial performance of the Company during 2021 is encouraging considering the continued uncertain economic conditions. The directors are of the opinion that the future prospects of the company remain positive and it will continue as a going concern.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the company would be a significant reduction of its investment advisory income which is dependent upon the success and asset base of its clients. The company continually reviews this risk and takes any action deemed necessary. At present, the directors do not foresee significant uncertainties in relation to the company's income for the next 12 months.

BUSINESS ENVIRONMENT AND FUTURE DEVELOPMENTS

The company operates within the financial sector, with its main focus being the UK, Western Europe and the US.

Throughout 2021 the coronavirus pandemic continued to create economic uncertainty as the spread of new variants required governments to prolong public health restrictions to control the virus. The effective rollout of vaccines helped economies to recover in 2021, with global GDP growing in 2021 following the retraction in 2020 caused by the pandemic.

In Europe, a second coronavirus wave in 2021 led to renewed economic closures and lockdowns which slowed the growth of European economies. It is encouraging to see further projected growth in the eurozone economy in 2022, however this is expected to remain below the pre-pandemic levels witnessed in 2019. Meanwhile in the United States, a successful vaccination programme and government stimulus resulted in strong economic recovery in 2021.

The UK formally left the European Union on 31 January 2020, with the transition period ending on 1 January 2021. This eased uncertainty and market volatility in the UK economy which witnessed strong growth in 2021 following a retraction of the UK economy in 2020.

Global GDP growth is forecasted to slow in 2022 as the global economy adapts to the new post-pandemic environment. Rising energy prices and supply disruptions have resulted in higher inflation thus far in 2022. The emergence of new coronavirus variants could also disrupt global economic growth in 2022.

The success of the company will rely on its ability to continue providing investment advisory and asset management services. Due to the uncertain global economic landscape, the demand for the company's services and expertise is expected to grow further.

KEY PERFORMANCE INDICATORS

The Company considers profit to be its key performance indicator where it achieved profit after tax of £672,820 (2020 - £683,595).

This report was approved by the board and signed on its behalf.

Walid Abu-Suud
Director
Date: 31 March 2022

The directors present their report and the financial statements for the year ended 31 December 2021.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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 directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £672,820 (2020 - £683,595).

The directors have not recommended a dividend.

DIRECTORS

The directors who served during the year were:

Walid Abu-Suud
Khalil Amiouni

FINANCIAL INSTRUMENTS

Details of the Company's financial risk management objectives and policies are included in note 14 of the financial statements.

MATTERS COVERED IN THE STRATEGIC REPORT

In accordance with section 414C(11) of the Companies Act 2006, the Company has chosen to include information in relation to future developments in the Company's strategic report.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

AUDITORS

Under section 487(2) of the Companies Act 2006, Lubbock Fine LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

W. Abu-Suud

Walid Abu-Suud

Director

Date: 31 March 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGC EQUITY PARTNERS LIMITED

OPINION

We have audited the financial statements of AGC Equity Partners Limited (the 'Company') for the year ended 31 December 2021, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, 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 Company's affairs as at 31 December 2021 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 Auditors' 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 United Kingdom, 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

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 Auditors' 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.

OPINION 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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 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.

AUDITORS' 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 Auditors' 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.

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the company's 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; and
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Money Laundering Regulations, FCA Regulations, health and safety regulations and employment law.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to fraud were in respect of revenue recognition and management override.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing revenue recognition on a sample basis;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the company's operations;
- ensuring that the Company does not hold client money and/or custody assets, as it does not have the relevant permissions to hold such assets;
- reviewing legal and professional fees expenditure during and after the year ended 31 December 2021 for any idications of breaches of FCA regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the Company's shareholders, 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 shareholders those matters we are required to state to them in an Auditors' 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Banks

Stephen Banks (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine LLP
Chartered Accountants & Statutory Auditors
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 31 March 2022

AGC EQUITY PARTNERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	18,029,212	16,882,845
Administrative expenses		(17,144,732)	(16,033,724)
OPERATING PROFIT	5	884,480	849,121
Interest receivable and similar income		1	522
Interest payable and similar expenses		(1,004)	(1,420)
PROFIT BEFORE TAX		883,477	848,223
Tax on profit	8	(210,657)	(164,628)
PROFIT FOR THE FINANCIAL YEAR		672,820	683,595

There were no recognised gains and losses for 2021 or 2020 other than those included in the profit and loss account.

The notes on pages 14 to 27 form part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	9		738,215		965,806
			738,215		965,806
Current assets					
Debtors: amounts falling due after more than one year	10	840,441		840,441	
Debtors: amounts falling due within one year	10	6,001,756		8,601,213	
Cash at bank and in hand	11	4,418,958		959,470	
		11,261,155		10,401,124	
Creditors: amounts falling due within one year	12	(4,843,206)		(4,887,726)	
Net current assets			6,417,949		5,513,398
Total assets less current liabilities			7,156,164		6,479,204
Provisions for liabilities					
Other provisions	17	(402,816)		(398,676)	
			(402,816)		(398,676)
Net assets			6,753,348		6,080,528
Capital and reserves					
Called up share capital	22		718,001		718,001
Share premium account	21		566,828		566,828
Profit and loss account	21		5,468,519		4,795,699
			6,753,348		6,080,528

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

W. Abu-Suud

Walid Abu-Suud

Director

Date: 31 March 2022

The notes on pages 14 to 27 form part of these financial statements.

AGC EQUITY PARTNERS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Share premium	Retained earnings	Total equity
	£	£	£	£
At 1 January 2020	718,001	566,828	4,112,104	5,396,933
Profit for the year	-	-	683,595	683,595
At 1 January 2021	718,001	566,828	4,795,699	6,080,528
Profit for the year	-	-	672,820	672,820
At 31 December 2021	718,001	566,828	5,468,519	6,753,348

The notes on pages 14 to 27 form part of these financial statements.

AGC EQUITY PARTNERS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	672,820	683,595
ADJUSTMENTS FOR:		
Depreciation of tangible assets	254,135	273,674
Interest paid	1,004	1,420
Interest received	(1)	(522)
Taxation charge	210,657	164,628
Increase in debtors	(2,184)	(122,891)
Decrease/(increase) in amounts owed by groups	2,601,641	(978,983)
Decrease in creditors	(40,278)	(1,059,237)
Increase/(decrease) in provisions	4,140	(10,662)
Corporation tax paid	(214,899)	(224,820)
NET CASH GENERATED FROM OPERATING ACTIVITIES	3,487,035	(1,273,798)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(26,544)	(6,828)
Interest received	1	522
NET CASH FROM INVESTING ACTIVITIES	(26,543)	(6,306)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(1,004)	(1,420)
NET CASH USED IN FINANCING ACTIVITIES	(1,004)	(1,420)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,459,488	(1,281,524)
Cash and cash equivalents at beginning of year	959,470	2,240,994
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	4,418,958	959,470
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	4,418,958	959,470
	4,418,958	959,470

The notes on pages 14 to 27 form part of these financial statements.

1. GENERAL INFORMATION

AGC Equity Partners Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. Its principal place of business and registered office is 33 Davies Street, London, W1K 4BP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland 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 judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The Company meets its day-to-day working capital requirements through the support of its parent undertaking and its wider group. The directors believe that it is appropriate to prepare the financial statements on a going concern basis which assumes the company will continue in operational existence with the support of the parent undertaking and the wider group.

Should the Company be unable to continue in operational existence for the foreseeable future, adjustments may be necessary to reduce the carrying value of assets to their recoverable amount, to provide for any additional liabilities that may arise, and to reclassify fixed assets as current assets.

2.3 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover shown in the Profit and Loss Account is measured as the fair value of the consideration received or receivable from services provided, excluding discounts, rebates, value added tax and other sales taxes.

2.4 TANGIBLE FIXED ASSETS

Tangible fixed 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 it to be capable of operating in the manner intended by management.

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

2. ACCOUNTING POLICIES (continued)

2.4 TANGIBLE FIXED ASSETS (continued)

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:

Leasehold improvements	- Life of the lease
Fixtures and fittings	- 25% Straight line
Computer and office equipment	- 25% 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 profit or loss.

2.5 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases, and any benefits received as an incentive to sign an operating lease, are charged to the profit or loss on a straight line basis over the period of the lease.

2.6 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Prepayments are recognised at the amount prepaid net of any trade discounts. Deposits are recognised at the amount initially paid and then subsequently the amount expected to be received.

2.7 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.8 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

2. ACCOUNTING POLICIES (continued)

2.9 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.10 PENSIONS

Defined contribution pension plan

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

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2. ACCOUNTING POLICIES (continued)

2.11 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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. ACCOUNTING POLICIES (continued)

2.12 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is 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 period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.13 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 balance sheet date.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no key sources of estimation uncertainty or judgments.

4. TURNOVER

The whole of the turnover is attributable to the one principal activity of the company.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	254,135	273,674
Exchange differences	790	(328)
Other operating lease rentals	1,197,143	1,200,713
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	16,000	15,000
Defined contribution pension cost	108,400	95,700

6. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	16,000	15,000
All other services	4,373	10,032

7. EMPLOYEES

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	11,633,727	11,044,745
Social security costs	1,588,682	1,518,392
Cost of defined contribution scheme	108,400	95,700
	13,330,809	12,658,837

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Number of administrative staff	31	28

8. TAXATION

	2021 £	2020 £
CORPORATION TAX		
Current tax on profits for the year	204,226	202,537
TOTAL CURRENT TAX	204,226	202,537
DEFERRED TAX		
Accelerated capital allowances	6,431	(37,909)
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	210,657	164,628

8. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	883,447	848,223
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	167,855	161,162
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,535	4,104
Capital allowances for year in excess of depreciation	31,254	36,155
Increase or decrease in pension fund prepayment leading to an increase / (decrease) in tax	(418)	1,116
Movement in deferred tax	6,431	(37,909)
TOTAL TAX CHARGE FOR THE YEAR	210,657	164,628

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures and fittings £	Computer and office equipment £	Total £
Cost or valuation				
At 1 January 2021	2,303,621	535,306	220,692	3,059,619
Additions	-	-	26,544	26,544
Disposals	-	(78)	(1,751)	(1,829)
At 31 December 2021	2,303,621	535,228	245,485	3,084,334
Depreciation				
At 1 January 2021	1,357,550	529,025	207,238	2,093,813
Charge for the year on owned assets	240,303	4,058	9,774	254,135
Disposals	-	(78)	(1,751)	(1,829)
At 31 December 2021	1,597,853	533,005	215,261	2,346,119
Net book value				
At 31 December 2021	705,768	2,223	30,224	738,215
At 31 December 2020	946,071	6,281	13,454	965,806

10. DEBTORS

	2021 £	2020 £
Due after more than one year		
Other debtors	840,441	840,441
	840,441	840,441

	2021 £	2020 £
Due within one year		
Amounts owed by group undertakings	5,276,841	7,878,482
Other debtors	72,269	111,028
Prepayments and accrued income	643,549	596,175
Deferred taxation	9,097	15,528
	6,001,756	8,601,213

11. CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	4,418,958	959,470

12. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	28,638	9,516
Corporation tax	198,191	202,433
Other taxation and social security	3,571,851	3,688,025
Other creditors	580,760	738,278
Accruals and deferred income	463,766	249,474
	4,843,206	4,887,726

13. FINANCIAL INSTRUMENTS

	2021 £	2020 £
FINANCIAL ASSETS		
Cash at bank and in hand	4,418,958	959,470
Financial assets that are debt instruments measured at amortised cost	6,126,040	8,782,522
	10,544,998	9,741,992
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	(708,331)	(829,543)

Financial assets that are debt instruments measured at amortised cost comprise of amounts owed by group undertakings, other debtors excluding VAT recoverable and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, amounts owed to group undertakings, other creditors and accruals.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's financial instruments comprise of borrowings, cash and liquid resources, and various items such as debtors and creditors that arise directly from its operations.

The company's activities expose it to a variety of risks: currency risk, interest rate risk, credit risk and liquidity risk. Risk management is carried out by the directors where they seek to minimise potential adverse effects impacting on the company's financial performance.

Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The company does not have significant exposure to currency risk.

Interest rate risk

The company is exposed to risk associated with the effect of fluctuations in the prevailing levels of market interest rates on its financial instruments and future cashflows. Other than cash held in deposit accounts the company does not have any significant exposure to interest rate risk.

Credit risk

Credit risk is the risk that a counterparty will be unwilling to meet a commitment that it has entered into with the company.

Credit risk arises from cash and cash equivalents, and trade and other receivables.

The directors consider that the company does not have significant exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the company will encounter problems in realising or otherwise raising funds to meet financial commitments.

Cash flow forecasting is performed by the company and the directors monitor the company's liquidity requirements to ensure it has sufficient cash to meet its operational needs.

15. MANAGEMENT OF CAPITAL AND PILLAR 3 REQUIREMENT

The company manages its capital in accordance with the Capital Requirements Directive and Financial Conduct Authority (FCA) rules relating thereto. As a part of the latter the company has instituted an Internal Capital Adequacy Assessment Process (ICAAP) by which its capital adequacy is managed.

During the years ended 31 December 2021 and 2020 the company's regulatory capital resources, defined as equity, have been maintained at levels in accordance with requirements as set out by the FCA and the ICAAP review.

The company's unaudited Pillar 3 report for the year ended 31 December 2021 is disclosed after the notes to these accounts.

16. DEFERRED TAXATION

	2021 £	2020 £
At beginning of year	15,528	(22,381)
(Credit) / charge to the profit or loss	(6,431)	37,909
At 31 December 2021	9,097	15,528

The deferred tax asset is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(9,097)	(15,528)

17. PROVISIONS

	Dilapidations provision £
At 1 January 2021	398,676
Charged to profit or loss	4,140
At 31 December 2021	402,816

18. PENSION COMMITMENTS

The company maintains a pension scheme for employees of the company. The scheme operates on a defined contribution money purchase basis and the contributions are charged to the profit and loss account as they arise. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions payable by the company for the year were £108,400 (2020 - £95,700). Included in other creditors at the year end were pension contributions of £8,704 (2020 - £10,904).

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	1,374,070	1,374,070
Later than 1 year and not later than 5 years	2,748,140	4,122,210
	4,122,210	5,496,280

20. RELATED PARTY TRANSACTIONS

During the year the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December, are as follows:

Management and advisory fees of £18,029,056 (2020 - £16,882,845) were receivable from other related parties.

	2021 £	2020 £
Entities with control, joint control or significant influence over the entity		
Amounts due from such entities	4,720,113	7,288,134
Other related parties		
Amounts due from other related parties	556,728	590,349

Terms and conditions of transactions with related parties

Transactions with related parties are made at normal market prices. Outstanding balances with entities are unsecured, interest free and repayable on demand.

Key management personnel

Key management personnel includes those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including directors. There were no amounts paid to key management personnel during the year (2020 - £nil)

21. RESERVES

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current and prior period retained profits and losses, less dividends paid.

22. SHARE CAPITAL

	2021 £	2020 £
Allotted, called up and fully paid		
718,001 (2020 - 718,001) Ordinary shares of £1.00 each	718,001	718,001

23. CONTROLLING PARTY

The parent company is AGC Equity Partners Investment Management Limited, a company incorporated in the Cayman Islands.

The directors consider that AGC Equity Partners Holding Limited, a company incorporated in the Cayman Islands, to be the ultimate parent company.

AGC Equity Partners Limited

Pillar 3 Disclosure and Policy

Introduction

Regulatory Context

The Pillar 3 disclosure of AGC Equity Partners Ltd ("the Firm" or "AGC") is set out below as required by the FCA's "Prudential Sourcebook for Banks, Building Societies and Investment Firms" (BIPRU) specifically BIPRU 11.3.3 R. This is a requirement which stems from the UK's CRDIII implementing Regulations which represented the European Union's application of the Basel Capital Accord. The Firm is no longer formally subject to CRD but remain subject to the UK's implementation Regulations of CRD prior to CRDIV. The regulatory aim of the disclosures is to improve market discipline.

Frequency

The Firm will be making Pillar 3 disclosures annually. The disclosures will be as at the Accounting Reference Date ("ARD").

Media and Location

The disclosure will be published on our website.

Verification

The information contained in this document has not been audited by the Firm's external auditors, as this is not a requirement, and does not constitute any form of financial statement and must not be relied upon in making any judgement on the Firm.

Materiality

The Firm regards information as material in disclosures if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions. If the Firm deems a certain disclosure to be immaterial, it may be omitted from this Statement.

Confidentiality

The Firm regards information as proprietary if sharing that information with the public would undermine its competitive position. Proprietary information may include information on products or systems which, if shared with competitors, would render the Firm's investments therein less valuable. Further, the Firm must regard information as confidential if there are obligations to customers or other counterparty relationships binding the Firm to confidentiality. In the event that any such information is omitted, we shall disclose such and explain the grounds why it has not been disclosed.

Summary

The CRD requirements have three pillars. Pillar 1 deals with minimum capital requirements; Pillar 2 deals with Internal Capital Adequacy Assessment Process ("ICAAP") undertaken by a firm and the Supervisory Review and Evaluation Process through which the Firm and Regulator satisfy themselves on the adequacy of capital held by the Firm in relation to the risks it faces and; Pillar 3 which deals with public disclosure of risk management policies, capital resources and capital requirements.

The regulatory aim of the disclosure is to improve market discipline.

The Firm is an Investment Management and Advisory Firm. The Firm's greatest risks have been identified as business and operational risk. The Firm is required to disclose its risk management objectives and policies for each separate category of risk which include the strategies and processes to manage those risks; the structure and organisation of the relevant risk management function or other appropriate arrangement; the scope and nature of risk reporting and measurement systems; and the policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.

The Firm has assessed business and operational risks in its ICAAP and set out appropriate actions to manage them.

A number of key operations are outsourced by our clients, typically the Funds we provide Investment Advisory services to, to third party providers such as administrators reducing our exposure to operational risk. The Firm has an operational risk framework (described below) in place to mitigate operational risk. The Firm's main exposure to credit risk is the risk that advisory fees cannot be collected and, therefore, credit risk is considered low. The Firm holds all cash balances with banks assigned high credit ratings.
Market Risk exposure has been assessed by the Firm and is limited to the Firm's exposure to any assets held on the Firm's Balance Sheet denominated in a foreign currency. The Firms Reporting Currency is GBP and all foreign currency assets are converted into GBP where possible on a regular basis.

Background to the Firm

Background
The Firm is incorporated in the UK and is authorised and regulated and authorised by the FCA. The Firm's activities give it the categorisation as a BIPRU Firm.
The following entities are covered by the ICAAP:

- AGC Equity Partners Limited

The Firm is a Solo regulated entity.

BIPRU 11.5.1

Disclosure: Risk Management Objectives and Policies

Risk Management Objective
The Firm has a risk management objective to develop systems and controls to mitigate risk to within its risk appetite.

Governance Framework
The Board of Directors is the Governing Body of the Firm and has the daily management and oversight responsibility. It meets regualrly and is composed of:

- Walid Abu-Suud
- Khalil Amiouni

The Board of Directors is responsible for the entire process of risk management, as well as forming its own opinion on the effectiveness of the process. In addition, the Board of Directors decides the Firm's risk appetite or tolerance for risk and ensures that the Firm has implemented an effective, ongoing process to identify risks, to measure its potential impact and then to ensure that such risks are actively managed. Senior Management is accountable to the Board of Directors for designing, implementing and monitoring the process of risk management and implementing it into the day-to-day business activities of the Firm.

Risk Framework

Risk within the Firm is managed by use of the following:

- The Firm has a conservative approach to risk;
- The Firm has identified its risks and recorded them in a 'Risk Register';
- The 'Risk Register' is reviewed at regular meetings of the Board of Directors
- The Firm has undertaken scenario Analysis and Stress Tests on the most significant risks identified. This informs the Firm how risk are likely to behave and what, if any, impact there is likely to be to our balance sheet;
- The Firm has in place an internal control framework to govern its processes and procedures and to mitigate any risks;
- The Firm undertakes an annual Internal Capital Adequacy Assessment Process (ICAAP). This covers the points above in more detail and can be made available on request.

BIPRU 11.5.4

Disclosure: Compliance with BIPRU 3, BIPRU 4, BIPRU 7and the Overall Pillar 2 Rule

BIPRU 3
For its Pillar 1 regulatory capital calculation of Credit Risk, under the credit risk capital component the Firm has adopted the Standardised approach (BIPRU 3.4) and the Simplified method of calculating risk weights (BIPRU 3.5).

Credit Risk Capital Requirement - £50,000

BIPRU 4 The Firm does not adopt the Internal Ratings Based approach and hence this is not applicable. **BIPRU 7** The Firm has Non-Trading Book potential exposure only (BIPRU 7.4, 7.5). **Overall Pillar 2 Rule** The Firm has adopted the "Pillar 1 plus" "Structured" approach to the calculation of its ICAAP Capital Resources Requirement as outlined in the Committee of European Banking Supervisors Paper, 25 January 2006. The ICAAP assessment is reviewed by the Board of Directors and amended where necessary, on an Annual basis or when a material change to the business occurs. The Board also reviews and endorses the risk management objective each quarter or when a material change to the business occurs at the same time as reviewing and signing off the ICAAP document.
BIPRU 11.5.8 **Disclosure:** Credit Risk and Dilution Risk
The Firm is primarily exposed to Credit Risk from the risk of non-collection of advisory fees. It holds all cash and performance fee balances with Banks assigned high credit ratings. Consequently risk of past due or impaired exposures is minimal. A financial asset is past due when a counterparty has failed to make a payment when contractually due. Impairment is defined as a reduction in the recoverable amount of a fixed asset or goodwill below its carrying amount.
BIPRU 11.5.12 **Disclosure:** Market Risk
The Firm has Non Trading Book potential exposure only (BIPRU 7.4 & 7.5). As a BIPRU Firm, AGC does not have a Trading Book. The only potential exposures are Non-Trading Book Exposures, i.e. to Foreign Currency held on deposit and assets or liabilities denominated in Foreign Currency, such as Debtors, on TIP's Balance Sheet. TIP does not currently have any exposures denominated in a Foreign Currency. TIP's appetite for Market Risk is low and, for the purposes of Pillar 2, is assumed to be that calculated at Pillar 1.
BIPRU 11.5.2 **Disclosure:** Scope of application of directive requirements
The Firm is subject to the disclosures under the *Banking Consolidation Directive*.

However, it is not a member of a UK Consolidation Group and consequently, does not report on a consolidated basis for accounting and prudential purposes.

BIPRU 11.5.3

Disclosure: Capital Resources

The Firm is a BIPRU Investment Firm without an Investment Firm Consolidation Waiver deducting Material Holdings under (GENPRU 2 Annex 4). Tier 1 Capital comprises of Permanent Share Capital, Share Premium, and Profit and Loss Reserves

Tier 1 Capital	£6,753,348
Deductions	£0
Tier 2 Capital	£0
Deductions	£0
Capital Resources	£0
Tier 3 Capital	£0
Deductions	£0
Total Capital	**£6,753,348**

BIPRU 11.5.5

This disclosure is not required as the Firm has not adopted the Internal Ratings Based approach to Credit Risk and therefore is not affected by BIPRU 11.5.4R (3).

BIPRU 11.5.6

This disclosure is not required as the Firm has not adopted the Internal Ratings Based approach to Credit Risk and therefore is not affected by BIPRU 11.5.4R (3) .

BIPRU 11.5.7

This disclosure is not required as the Firm does not have a Trading Book.

BIPRU 11.5.9

This disclosure is not required as the Firm does not make Value Adjustments and Provisions for Impaired exposures that need to be disclosed under BIPRU 11.5.8R (9).

BIPRU 11.5.10

Disclosure: Firms calculating Risk Weighted Exposure Amounts in accordance with the Standardised Approach

This disclosure is not required as the Firm uses the Simplified method of calculating Risk Weights (BIPRU 3.5).

BIPRU 11.5.11

Disclosure: Firms calculating Risk Weighted Exposure amounts using the IRB Approach

This disclosure is not required as the Firm has not adopted the Internal Ratings Based approach to Credit and therefore is not affected by BIPRU 11.5.4R (3).
BIPRU 11.5.15 **Disclosure:** Non-Trading Book Exposures in Equities
This disclosure is not required as the Firm does not have a Non-Trading Book Exposure to Equities.
BIPRU 11.5.16 **Disclosures:** Exposures to Interest Rate Risk in the Non-Trading Book
Although the Firm has substantial cash balances on its Balance Sheet, there is currently no significant exposure to Interest Rate fluctuations.
BIPRU 11.5.17 Disclosures: Securitisation
This disclosure is not required as the Firm does not Securitise its assets.
BIPRU 11.5.18 **Disclosure:** Remuneration

The Firm is a Remuneration Code Proportionality Level 3 Firm and has applied the rules appropriate to its Proportionality Level. The Board of Directors are responsible for the Firm's remuneration policy. All variable remuneration is adjusted in line with capital and liquidity requirements.

Remuneration Code Staff Remuneration by Business Area (BIPRU 11.5.18(6))

Business Area	Total Remuneration
Investment Advice	£13,222,409

Aggregate Quantitative Remuneration by Senior Management and other Remuneration Code Staff (BIPRU 11.5.18(7))

Type of Remuneration	Total Remuneration
Board of Directors	£nil
Totals	**£nil**