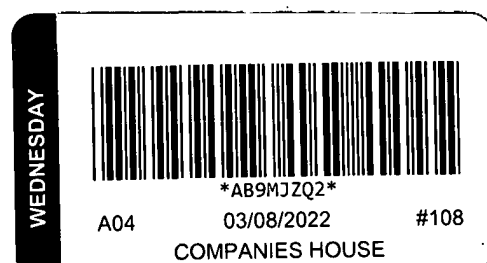

VALIANCE (SERVICES) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



VALIANCE (SERVICES) LIMITED

COMPANY INFORMATION

Director	J Pensaert
Registered number	06568039
Registered office	14 Wigmore Street London England W1U 2RE
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP

VALIANCE (SERVICES) LIMITED

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VALIANCE (SERVICES) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The director presents his strategic report of Valiance (Services) Limited ("the Company") for the year ended 31 March 2022.

Business review

The principal activity of the Company is the provision of administration services to Valiance Advisors LLP, a limited liability partnership which is authorised and regulated by the Finance Conduct Authority to provide investment advisory services.

The results for the year end and the financial position at the year end were considered satisfactory by the director. The director does not anticipate any change in the nature of the Company's principal activity going forward.

The Company's profit after taxation for the year amounted to £120,475 (2021: £112,276) as shown on page 9. No dividends were paid during the year (2021: £nil.)

The director is satisfied with the position of the Company. The director expects the level of activity to increase in the future.

Given the straightforward nature of the business, the director is of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

The key business risks and uncertainties affecting the business relate to the performance of the underlying funds managed by the parent undertaking Valiance Asset Management Limited.

The Company is not exposed to any significant price, credit, liquidity or cashflow risk.

Director s172 statement of compliance

The director of Valiance (Services) Ltd ("the Company") considers that he has acted in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholder as a whole (having regard to the stakeholders and matters set out in S172(1)(a-f) of the Act) in the decisions taken during the financial year ended 31 March 2022.

In coming to this conclusion, the director has considered the following:

- Consideration of long-term consequences are an inherent part of the Company's decision-making processes. As a privately-owned Company, and with the director also being the ultimate beneficial owner of the Company, it is considered that the interests of the Company and its shareholder are aligned in seeking sustainable value creation over the longer term through the Company's operations, promoting long-term strategic decision-making.
- The Company has continued throughout the year to provide employees with relevant information and to seek their views on matters of common concern. Priority is given to ensuring that employees are aware of all significant matters affecting the Company.
- The Company operates in the financial sector which is a sector characterised by long-term relationships with stakeholders, in this case driven largely by maintaining strong relationships with a number of investors in related entities of the Company. Maintaining a reputation for high standards of business conduct is vital and the Company expects all members of the supply chain to always act with integrity, acting openly, honestly and ethically. The Company has zero tolerance for fraud and consistently maintains effective oversight and

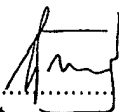
VALIANCE (SERVICES) LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

scrutiny processes, executed with independence and impartiality. These factors also drive a continuing focus on the maintenance of durable relationships with stakeholders, built on the Company's reputation with customers and suppliers.

- The integrity of the Company is underpinned with policies in relation to bribery and corruption, data protection, equality, diversity, fraud and whistleblowing, each of which is reinforced through appropriate training, with all employees required to confirm their compliance with these policies on an annual basis.

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


.....
J Pensaert
Director

Date: 25 July 2022

VALIANCE (SERVICES) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

The director presents his report and the financial statements for the year ended 31 March 2022.

Going concern

The director has a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, he continues to adopt the going concern basis in preparing the director's report and financial statements.

The worldwide outbreak of the COVID-19 virus continues to represent a significant event during the financial period. The accounts are approved during a period where there continues to be uncertainty because of the COVID-19 pandemic. The Company will continue to plan, operate and respond to the challenges posed by this environment.

Russia intensified its invasion of Ukraine towards the end of February 2022 creating uncertainty around the globe. The Company has very limited exposure towards Russia and Ukraine. In the long term, the Director does not foresee any issues affecting the operation of the Company or in fundraising and will continue to monitor the situation closely and react accordingly.

Considering the above, the director has reviewed the Company's forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flows from operations 12 months from the date of signing this report.

Director

J Pensaert

Disclosure of information to auditors


The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he 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

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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


.....
J Pensaert
Director

Date: 25 July 2022

VALIANCE (SERVICES) LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

The director is responsible for preparing the Strategic Report, the Director's Report and the 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 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 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

Opinion

We have audited the financial statements of Valiance (Services) Limited ("the Company") for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the 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 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 director with respect to going concern are described in the relevant sections of this report.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

Other Information

The director is 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 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 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.

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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the director's 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 Director's 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 Company, 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 director's 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 director's Responsibilities Statement set out on page 4, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

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.

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:

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 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 HMRC;
- 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; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

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 auditor's report.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

Use of our report

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

Melanie Pittas

Melanie Pittas (Senior Statutory Auditor)
For and on behalf of
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 25 July 2022

VALIANCE (SERVICES) LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Turnover	4	1,523,222	1,567,449
Administrative expenses		(1,368,759)	(1,426,532)
Operating profit	5	154,463	140,917
Interest receivable and similar income	9	-	317
Profit before tax		154,463	141,234
Tax on profit	10	(33,988)	(28,958)
Profit for the financial year		120,475	112,276

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 14 to 25 form part of these financial statements.

VALIANCE (SERVICES) LIMITED
REGISTERED NUMBER: 06568039

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	222,872	7,379
Investments	12	680,000	680,000
		<u>902,872</u>	<u>687,379</u>
Current assets			
Debtors: amounts falling due after more than one year	13	99,990	-
Debtors: amounts falling due within one year	13	485,465	1,200,957
Cash at bank and in hand	14	123,893	134,363
		<u>709,348</u>	<u>1,335,320</u>
Creditors: amounts falling due within one year	15	(315,920)	(846,874)
Net current assets		<u>393,428</u>	<u>488,446</u>
Net assets		<u><u>1,296,300</u></u>	<u><u>1,175,825</u></u>
Capital and reserves			
Called up share capital	17	100	100
Share premium account	18	209,901	209,901
Profit and loss account	18	1,086,299	965,824
		<u><u>1,296,300</u></u>	<u><u>1,175,825</u></u>

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

.....
J Pensaert
 Director

Date: 25 July 2022

The notes on pages 14 to 25 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

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

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2020	100	209,901	853,548	1,063,549
Comprehensive income for the year				
Profit for the year	-	-	112,276	112,276
At 1 April 2021	100	209,901	965,824	1,175,825
Comprehensive income for the year				
Profit for the year	-	-	120,475	120,475
At 31 March 2022	100	209,901	1,086,299	1,296,300

The notes on pages 14 to 25 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	120,475	112,276
Adjustments for:		
Depreciation of tangible assets	26,373	17,396
Interest received	-	(317)
Taxation charge	33,988	28,958
Decrease/(increase) in debtors	615,502	(29,476)
Decrease in creditors	(535,984)	(2,534)
Corporation tax paid	(28,958)	(28,852)
Net cash generated from operating activities	<u>231,396</u>	<u>97,451</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(241,866)	(2,061)
Interest received	-	317
Net cash from investing activities	<u>(241,866)</u>	<u>(1,744)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(10,470)</u>	<u>95,707</u>
Cash and cash equivalents at beginning of year	134,363	38,656
Cash and cash equivalents at the end of year	<u><u>123,893</u></u>	<u><u>134,363</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>123,893</u></u>	<u><u>134,363</u></u>

The notes on pages 14 to 25 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2022**

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	134,363	(10,470)	123,893

The notes on pages 14 to 25 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Valiance (Services) Limited ("the Company") is a private limited company incorporated in the United Kingdom. The address of its registered office is 14 Wigmore Street, London, England, W1U 2RE.

The principal activity of the Company is the provision of administration services to Valiance Advisors LLP, a limited liability partnership which is authorised and regulated by the Finance Conduct Authority to provide investment advisory services.

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 director has a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, he continues to adopt the going concern basis in preparing the director's report and financial statements.

The worldwide outbreak of the COVID-19 virus continues to represent a significant event during the financial period. The accounts are approved during a period where there continues to be uncertainty because of the COVID-19 pandemic. The Company will continue to plan, operate and respond to the challenges posed by this environment.

Russia intensified its invasion of Ukraine towards the end of February 2022 creating uncertainty around the globe. The Company has very limited exposure towards Russia and Ukraine. In the long term, the director does not foresee any issues affecting the operation of the Company or in fundraising and will continue to monitor the situation closely and react accordingly.

Considering the above, the director has reviewed the Company's forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flows from operations 12 months from the date of signing this report.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 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.

2.4 Revenue recognition

Revenue 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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents profit allocations and administrative fee income arising from continuing activities in the United Kingdom charged under a service agreement with the subsidiary undertaking, Valiance Advisors LLP. Fees are recognised when the Company obtains the right for consideration in exchange for its performance.

2.5 Expenses

Expenses incurred have been recognised on an accruals basis.

2.6 Operating leases

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

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 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 a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Taxation

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 reporting date in the countries where the Company operates and generates income.

2.10 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.

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:

Long-term leasehold property	- Over the period of the lease
Fixtures and fittings	- 3 years straight line
Office 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 profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 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.

2.13 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.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.14 Creditors

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

2.15 Financial instruments

The Company has elected to apply sections 11 and 12 of FRS 102 for recognition and measurement of financial instruments. The Company has taken advantage of the exemption from disclosing its financial instruments as these are disclosed in the accounts of the parent company, Valiance Asset Management Limited.

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

In applying the Company's accounting policies, the director is required to make judgments, estimates and assumptions in determining the carrying amounts of assets and liabilities. The director's judgments, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgments, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

3.1 Critical judgments in applying the Company's accounting policies

The critical judgments that the director has made in the progress in applying the Company's accounting policies and have the most significant effect on the amounts recognised in the financial statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the director has considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

Assessing functional currency

The director is required to identify the functional currency of the Company. In making this judgment the director has considered factors such as the currency which mainly influences both sales and cost prices, and the countries whose competitive forces and regulations effect those prices. Where the functional currency is not clearly identifiable, the director uses judgment to determine which currency most faithfully represents the economic effects of the underlying transactions, events and conditions.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are discussed below.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Judgments in applying accounting policies (continued)

Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Recharge of expenses	1,368,760	1,426,532
Profit allocations from LLP	154,462	140,917
	<u>1,523,222</u>	<u>1,567,449</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	26,373	17,396
Exchange differences	3,751	2,521
Other operating lease rentals	119,616	91,760
	<u>149,740</u>	<u>111,677</u>

6. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>8,250</u>	<u>6,450</u>

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Employees

Staff costs, including director's remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	716,295	566,823
Social security costs	86,911	70,406
Cost of defined contribution scheme	46,757	61,475
	<u>849,963</u>	<u>698,704</u>

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

	2022 No.	2021 No.
Adminstration	<u>7</u>	<u>5</u>

8. Director's remuneration

	2022 £	2021 £
Director life insurance	<u>2,958</u>	<u>-</u>

9. Interest receivable

	2022 £	2021 £
Other interest receivable	<u>-</u>	<u>317</u>

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	33,988	28,958
Total current tax	<u>33,988</u>	<u>28,958</u>
Taxation on profit on ordinary activities	<u>33,988</u>	<u>28,958</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>154,462</u>	<u>140,917</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	29,348	26,774
Effects of:		
Expenses not deductible for tax purposes	4,640	2,124
Interest receivable and similar income	-	60
Total tax charge for the year	<u>33,988</u>	<u>28,958</u>

Factors that may affect future tax charges

On 10 June 2021, the Finance Bill 2021 received Royal Assent. The Bill confirms an increase in the corporation tax rate from 1 April 2023. From this date, the rate will taper from 19% for businesses with profits of less than £50,000 to 25% for businesses with profits over £250,000.

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2021	27,719	1,351	41,434	70,504
Additions	145,410	67,416	29,040	241,866
At 31 March 2022	<u>173,129</u>	<u>68,767</u>	<u>70,474</u>	<u>312,370</u>
Depreciation				
At 1 April 2021	27,719	1,169	34,237	63,125
Charge for the year	9,694	7,674	9,005	26,373
At 31 March 2022	<u>37,413</u>	<u>8,843</u>	<u>43,242</u>	<u>89,498</u>
Net book value				
At 31 March 2022	<u>135,716</u>	<u>59,924</u>	<u>27,232</u>	<u>222,872</u>
At 31 March 2021	<u>-</u>	<u>182</u>	<u>7,197</u>	<u>7,379</u>

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	680,000
At 31 March 2022	<u>680,000</u>

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Fixed asset investments (continued)

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Valiance Advisors LLP	14 Wigmore Street, London, England, W1U 2RE	100	100%

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

	Aggregate of share capital and reserves £	Profit £
Valiance Advisors LLP	491,609	304,462

13. Debtors

	2022 £	2021 £
Due after more than one year		
Rent deposit	99,990	-
Due within one year		
Trade debtors	-	31,517
Amounts owed by group undertakings	310,482	942,634
Other debtors	161,893	220,042
Prepayments and accrued income	13,090	6,764
	485,465	1,200,957

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	123,893	134,363

15. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	106,879	37,423
Amounts owed to group undertakings	-	613,810
Corporation tax	33,988	28,958
Other taxation and social security	126,162	98,214
Other creditors	-	40,000
Accruals and deferred income	48,891	28,469
	315,920	846,874

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

16. Deferred taxation

	2022 £	2021 £
At beginning of year	-	1,893
Charged to profit or loss	-	(1,893)
At end of year	-	-

17. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 (2021: 100) Ordinary shares of £1.00 each	100	100

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Reserves

Share premium account

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

Profit and loss account

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

19. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £46,757 (2021: £61,475). Contributions totalling £nil (2021: £nil) were payable to the fund at the reporting date.

20. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	24,191	-
Later than 1 year and not later than 5 years	614,634	-
	<u>638,825</u>	<u>-</u>

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

21. Related party transactions

During the year, the Company received net funding of £623,043 (2021: made net repayment of £16,281) to its immediate parent, Valiance Asset Management Limited, an entity incorporated in Guernsey. As at 31 March 2022, the intercompany balances of £1,236,853 (2021: £nil) has been written off and the balance owed to Valiance Asset Management Limited was £nil (2021: £613,810 included in creditors). This balance is unsecured, interest-free and repayable upon demand.

During the year, the Company charged its subsidiary undertaking, Valiance Advisory LLP ("the LLP"), £1,368,760 (2021: £1,426,532) for administration services, incurred expenditure of its behalf of £11,975 (2021: £11,875) and received a profit share of £154,462 (2021: £140,917). Also during the year, the LLP transferred funds to the Company of £930,496 (2021: £1,287,711) and wrote off an intercompany balance of £1,236,851 (2021: £nil). As at 31 March 2022, the balance owed to the Company was £309,096 (2021: £941,246), which was included in debtors. This balance is unsecured, interest-free and repayable upon demand.

During the year, the Company was charged £nil (2021: £73,602) by Ipsensaert Consulting, a business based in Belgium, for the provision of HR services. This is a related party by virtue of ownership being held by a close member of the director's family. At the year end, the Company owed £nil (2021: £6,893) to Ipsensaert Consulting.

The key management personnel is deemed to be the director. The director received director life insurance of £2,958 from the Company during the year (2021: £nil).

22. Immediate parent undertaking and ultimate controlling party

The Company's immediate parent undertaking is Valiance Asset Management Limited, an entity incorporated in Guernsey.

The largest and smallest group of undertakings for which group accounts have been drawn up which include the Company is headed by Valiance Asset Management Limited.

The ultimate controlling party is J Pensaert.