

# Absolute Return Investment Advisers (ARIA) Limited

trading as ARIA Capital Management  
Annual Report and Financial Statements  
for the Year Ended 31 March 2022

**Absolute Return Investment Advisers (ARIA) Limited**  
**trading as ARIA Capital Management**

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**Absolute Return Investment Advisers (ARIA) Limited**  
**trading as ARIA Capital Management**

**Strategic Report for the Year Ended 31 March 2022**

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

**Principal activity**

The principal activity of the company is the provision of investment advisory services

**Fair review of the business**

The Company made a pre-tax profit of £116,282 compared to a pre tax loss of £98,357 in 2021 and had net assets of £1,330,104 at the balance sheet date [2021 : £1,246,806].

The Directors consider this to be a satisfactory outcome for the year given the Company's continuing focus on establishing UCITS V fund structures, as well as continued development of the wealth management platform. The Directors consider the Company is well placed to take advantage of changes in the global financial services industry.

**Principal risks and uncertainties**

The Directors have undergone a thorough analysis of the risks inherent in the Company's activities. The analysis identified the likelihood of the event occurring as well as the magnitude of the impact on the Company should the event occur. The Directors considered the level of control exercised by the Company to manage the risk that the event occurs, as well as identifying the persons to manage the risk and those persons to supervise and monitor the risk.

The main risk that the Directors identified was from the disintermediation of the Financial Services industry and its increasingly global nature, given historically much of the client business has been intermediated by professional advisers. The Directors consider that the Company's size and the ability to react rapidly to changing market and industry conditions marks a considerable strength as well as presenting opportunities.

The Company also minimises this risk whenever possible through diversification and broadening of its service proposition. To this end, the Company has developed more 'direct-to-client' services, and developed platforms for new client types, such as a securitisation platform, which will move the Company towards a multi-distribution channel business.

Approved and authorised by the Board on 21 December 2022 and signed on its behalf by:

.....

M Brittain

Director

.....

A McKenzie-Smart

Director

**Absolute Return Investment Advisers (ARIA) Limited**  
**trading as ARIA Capital Management**

**Directors' Report for the Year Ended 31 March 2022**

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

**Directors of the company**

The directors who held office during the year were as follows:

M Brittain

D Brimacombe

A McKenzie-Smart

Ms K E Januchowska (appointed 3 March 2022)

C Thompson (appointed 3 March 2022)

**Financial performance**

***Objectives and policies***

The company has been working closely with its affiliated MIFID2 entity in Europe which will accelerate assets under management in the coming months. The company has worked on developing a European platform proposition which will allow further distribution of company's products and services, opening new distribution channels and European markets. This proposition is projected to deliver Mifid2 investment platform for advisory firms, pension trustees and individual clients with access to international markets. There is a great potential for an investment platform in the European markets and the firm is considering a stronger engagement in the Irish market especially.

With the new distribution channels, Model Portfolio Service (MPS) is expected to grow as well. The firm is considering re-aligning the proposition to SFDR requirements and will consider implementation of ESG objectives to the suite of products. The issues surrounding ESG in particular are close to our hearts and we consider smooth transition within investment objectives and investment policies. Additionally, MPS team has been re-structured with the appointment of Senior Portfolio Manager who manages the team of portfolio managers and comes with the depth of experience. The new structure will ensure meeting the objectives of good governance within investment management.

On the wealth management side, the company started offering DTC proposition in 2020, onboarding retail customers under ARIA Private Clients brand. This offering initially started as a way of addressing the enquiries from existing clients on the platform, however has been growing recently. Considering this, it was decided that the initial services will be expanded to include mortgage and protection advice in order to offer holistic financial planning to the retail clients.

The company has decided to restructure the Board of Directors with two newcoming directors, Operations Director and Compliance Director. The re-structure improve the objectives of internal governance, risk management and supports internal communication within the group of affiliated companies.

***Price risk, credit risk, liquidity risk and cash flow risk***

The Company's Pillar 3 disclosures can be found on its website on [www.ariacm.com](http://www.ariacm.com).

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Directors' Report for the Year Ended 31 March 2022**

**Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

**Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Warrener Stewart Chartered Accountants as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved and authorised by the Board on 21 December 2022 and signed on its behalf by:

.....

M Brittain

Director

.....

A McKenzie-Smart

Director

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA) Limited**

**Opinion**

We have audited the financial statements of Absolute Return Investment Advisers (ARIA) Limited (the 'company') for the year ended 31 March 2022, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 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 original financial statements were 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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.

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA) Limited**

We have nothing to report in this regard.

**Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where 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 Statement of Directors' Responsibilities [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.



**Absolute Return Investment Advisers (ARIA) Limited**  
**trading as ARIA Capital Management**

**Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA) Limited**

**Auditor Responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our assessment of the susceptibility of the entity's financial statements is considered to be low. We reached this conclusion after consideration of the following:

- Because of the regulated nature of the business, there are strong controls in place and adequate high level monitoring such that any unexpected items would be identified and enquired into by management; and
- Management decisions are closely overseen and monitored at Group level indicating that the likelihood of any single individual being in a position to override controls to effect fraud is low.

We designed our audit procedures to respond to identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- The review of control accounts and journal entries for large, unusual or unauthorised entries;
- The analytical review of the detailed profit and loss account for unexpected variances or items that fell outside our understanding of the business;
- Obtaining and reviewing a list of connected persons and entities and reviewing ledgers for undisclosed related party transactions; and
- Reviewing compliance with the rules and guidelines set out by the Financial Conduct Authority.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to material misstatement in the financial statements or non-compliance with regulation. This risk increases the more the 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 because of fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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

**Absolute Return Investment Advisers (ARIA) Limited**  
**trading as ARIA Capital Management**

**Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA)**  
**Limited**

.....  
Colin Edney (Senior Statutory Auditor)  
For and on behalf of Warrener Stewart Chartered Accountants, Statutory Auditor  
Harwood House  
43 Harwood Road  
London  
SW6 4QP

21 December 2022

**Absolute Return Investment Advisers (ARIA) Limited**  
trading as ARIA Capital Management

**Profit and Loss Account for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
Turnover	<u>3</u>	1,480,270	1,483,723
Cost of sales		<u>(366,443)</u>	<u>(427,416)</u>
Gross profit		1,113,827	1,056,307
Administrative expenses		<u>(977,422)</u>	<u>(1,084,957)</u>
Operating profit/(loss)	<u>4</u>	<u>136,405</u>	<u>(28,650)</u>
Other interest receivable and similar income	<u>5</u>	530	-
Interest payable and similar expenses	<u>6</u>	<u>(20,653)</u>	<u>(66,707)</u>
		<u>(20,123)</u>	<u>(66,707)</u>
Profit/(loss) before tax		116,282	(95,357)
Tax on profit/(loss)	<u>9</u>	<u>(21,972)</u>	<u>12,125</u>
Profit/(loss) for the financial year		<u><u>94,310</u></u>	<u><u>(83,232)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

**Absolute Return Investment Advisers (ARIA) Limited**  
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**(Registration number: 07091239)**  
**Balance Sheet as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	<u>10</u>	6,270	6,697
<b>Current assets</b>			
Debtors	<u>11</u>	2,873,288	3,181,739
Cash at bank and in hand		273,549	321,557
		3,146,837	3,503,296
<b>Creditors: Amounts falling due within one year</b>	<u>13</u>	(1,823,003)	(884,662)
<b>Net current assets</b>		1,323,834	2,618,634
<b>Total assets less current liabilities</b>		1,330,104	2,625,331
<b>Creditors: Amounts falling due after more than one year</b>	<u>13</u>	-	(1,378,525)
<b>Net assets</b>		1,330,104	1,246,806
<b>Capital and reserves</b>			
Called up share capital		73,636	73,636
Retained earnings		1,256,468	1,173,170
<b>Shareholders' funds</b>		1,330,104	1,246,806

Approved and authorised by the Board on 21 December 2022 and signed on its behalf by:

.....  
M Brittain  
Director

.....  
A McKenzie-Smart  
Director

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Statement of Changes in Equity for the Year Ended 31 March 2022**

	<b>Share capital</b> £	<b>Retained earnings</b> £	<b>Total</b> £
At 1 April 2021	73,636	1,173,170	1,246,806
Profit for the year	-	94,310	94,310
Dividends	-	(11,012)	(11,012)
At 31 March 2022	73,636	1,256,468	1,330,104
	<b>Share capital</b> £	<b>Retained earnings</b> £	<b>Total</b> £
At 1 April 2020	73,636	1,257,802	1,331,438
Loss for the year	-	(83,232)	(83,232)
Dividends	-	(1,400)	(1,400)
At 31 March 2021	73,636	1,173,170	1,246,806

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Statement of Cash Flows for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		94,310	(83,232)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>4</u>	3,854	21,612
Finance income	<u>5</u>	(530)	-
Finance costs	<u>6</u>	3,373	2,436
Income tax expense	<u>9</u>	21,972	(12,125)
		122,979	(71,309)
Working capital adjustments			
Decrease in trade debtors	<u>11</u>	308,451	745,969
Increase/(decrease) in trade creditors	<u>13</u>	916,369	(157,373)
Net cash flow from operating activities		<u>1,347,799</u>	<u>517,287</u>
<b>Cash flows from investing activities</b>			
Interest received	<u>5</u>	530	-
Acquisitions of tangible assets		<u>(3,426)</u>	<u>(2,098)</u>
Net cash flows from investing activities		<u>(2,896)</u>	<u>(2,098)</u>
<b>Cash flows from financing activities</b>			
Interest paid	<u>6</u>	(3,373)	(2,436)
Payment of long term creditors		(1,378,526)	(414,305)
Dividends paid	<u>16</u>	(11,012)	(1,400)
Net cash flows from financing activities		<u>(1,392,911)</u>	<u>(418,141)</u>
Net (decrease)/increase in cash and cash equivalents		(48,008)	97,048
Cash and cash equivalents at 1 April		<u>321,557</u>	<u>224,509</u>
Cash and cash equivalents at 31 March		<u><u>273,549</u></u>	<u><u>321,557</u></u>

**Absolute Return Investment Advisers (ARIA) Limited**  
**trading as ARIA Capital Management**

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Building 2  
Ground Floor  
Guildford Business Park  
Guildford  
GU2 8XG

These financial statements were authorised for issue by the Board on 21 December 2022.

**2 Accounting policies**

**Summary of significant accounting policies and key accounting estimates**

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

**Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

**Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

**Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the provision of investment management services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

**Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

**Tax**

The corporation tax expense for the period comprises current tax.

The current 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 taxable income.

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Notes to the Financial Statements for the Year Ended 31 March 2022**

**Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

**Depreciation**

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Computer equipment	4 years straight line
Fixtures and fittings	5 years straight line

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**Trade debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

**Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

**Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.



**Absolute Return Investment Advisers (ARIA) Limited**  
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**Notes to the Financial Statements for the Year Ended 31 March 2022**

**Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. 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 revision and future years if the revision affects both current and future years.

Management considers the key estimates and judgements made in the financial statements to be related to:

- A. Valuation of the shares, securities and other assets held by the Company's investment funds which determine the Company's management and performance fees receivable.
- B. The timing of commissions and fees receivable from the Company's investment funds.
- C. The company has also included commissions receivable by the Company which are payable to the firm's introducers as income and associated costs during the year. Under these agreements the Company considers it is acting as principal with an agent to pay the introducer rather than as the introducers' agent.

**3 Turnover**

The analysis of the company's turnover for the year from continuing operations is as follows:

	2022	2021
	£	£
Rendering of services	<u>1,480,270</u>	<u>1,483,723</u>

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Notes to the Financial Statements for the Year Ended 31 March 2022**

The analysis of the company's turnover for the year by market is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
UK	1,481,400	1,267,303
Rest of world	(1,130)	216,420
	<u>1,480,270</u>	<u>1,483,723</u>

**4 Operating profit/(loss)**

Arrived at after charging/(crediting)

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Depreciation expense	<u>3,854</u>	<u>21,612</u>

**5 Other interest receivable and similar income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other finance income	<u>530</u>	<u>-</u>

**6 Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest expense on other finance liabilities	3,373	2,436
Foreign exchange gains	<u>17,280</u>	<u>64,271</u>
	<u>20,653</u>	<u>66,707</u>

**7 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	531,427	577,731
Social security costs	27,495	19,625
Pension costs, defined contribution scheme	10,313	7,913
Other employee expense	<u>38,953</u>	<u>47,717</u>
	<u>608,188</u>	<u>652,986</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Notes to the Financial Statements for the Year Ended 31 March 2022**

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Administration and support	15	14
	<u>15</u>	<u>14</u>

**8 Auditors' remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	7,750	12,000
	<u>7,750</u>	<u>12,000</u>

**9 Taxation**

Tax charged/(credited) in the profit and loss account

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Current taxation</b>		
UK corporation tax	23,252	(12,765)
UK corporation tax adjustment to prior periods	(1,280)	640
	<u>21,972</u>	<u>(12,125)</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Profit/(loss) before tax	116,282	(95,357)
Corporation tax at standard rate	22,094	(18,118)
Effect of expense not deductible in determining taxable profit (tax loss)	1,272	1,645
(Decrease)/increase in UK and foreign current tax from adjustment for prior periods	(1,280)	640
Tax (decrease)/increase from effect of capital allowances and depreciation	(114)	3,708
Total tax charge/(credit)	<u>21,972</u>	<u>(12,125)</u>

**Absolute Return Investment Advisers (ARIA) Limited**  
**trading as ARIA Capital Management**

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**10 Tangible assets**

	Short leasehold land and buildings £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2021	74,219	18,872	15,343	108,434
Additions	-	395	3,031	3,426
Disposals	(74,219)	-	-	(74,219)
At 31 March 2022	-	19,267	18,374	37,641
<b>Depreciation</b>				
At 1 April 2021	74,219	17,403	10,115	101,737
Charge for the year	-	555	3,298	3,853
Eliminated on disposal	(74,219)	-	-	(74,219)
At 31 March 2022	-	17,958	13,413	31,371
<b>Carrying amount</b>				
At 31 March 2022	-	1,309	4,961	6,270
At 31 March 2021	-	1,469	5,228	6,697

Included within the net book value of land and buildings above is £ (2021 - £) in respect of short leasehold land and buildings.

**Absolute Return Investment Advisers (ARIA) Limited**  
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**Notes to the Financial Statements for the Year Ended 31 March 2022**

**11 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Current</b>		
Trade debtors	-	11,447
Other debtors	2,706,761	2,962,925
Prepayments	37,846	22,891
Accrued income	128,681	184,476
	<u>2,873,288</u>	<u>3,181,739</u>

**Details of non-current trade and other debtors**

£2,453,540 (2021 -£2,569,841) of other debtors is classified as non current.

**12 Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash on hand	59	58
Cash at bank	273,490	321,499
	<u>273,549</u>	<u>321,557</u>

**13 Creditors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
trade creditors	89,298	139,361
Amounts due to related parties	12,218	17
Social security and other taxes	10,012	12,935
Outstanding defined contribution pension costs	3,163	5,644
Other payables	1,492,791	510,563
Accruals	115,639	138,232
Income tax liability	99,882	77,910
	<u>1,823,003</u>	<u>884,662</u>
<b>Due after one year</b>		
Other non-current financial liabilities	-	1,378,525

**Absolute Return Investment Advisers (ARIA) Limited**  
trading as ARIA Capital Management

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**14 Pension and other schemes**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £10,313 (2021 - £7,913).

Contributions totalling £3,163 (2021 - £5,644) were payable to the scheme at the end of the year and are included in creditors.

**15 Share capital**

**Allotted, called up and fully paid shares**

	<b>2022</b>		<b>2021</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	73,636	73,636	73,636	73,636

**16 Dividends**

**Interim dividends paid**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interim dividend of £Nil per each Ordinary shares	11,012	1,400

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