

Registered number: 08036570

ATC BROKERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021



ATC BROKERS LIMITED

COMPANY INFORMATION

| | |
|-----------------------------|---|
| Directors | Mr D Manoukian Mr J Manoukian Ms J C Claudio |
| Registered number | 08036570 |
| Registered office | 3rd Floor Waverley House 7-12 Noel Street London W1F 8GQ |
| Independent auditors | Ecovis Wingrave Yeats LLP Chartered Accountants & Statutory Auditor Waverley House 7-12 Noel Street London W1F 8GQ |

ATC BROKERS LIMITED

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ATC BROKERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2021

Introduction

The principal activity of the Company is to provide online trading solutions within the foreign exchange industry to clients ranging from retail to institutional traders.

Business Review

The directors are of the opinion that the Company is in a good position to progress into the next financial year and believe that their expertise should help ensure that the company is successful.

Principal risks and uncertainties

The principal risk for the company is its exposure to the volatility of economic conditions and possible economic downturns. Such downturns will likely have an impact on investor confidence, which will likely impact the frequency and value of trades undertaken by customers.

Further, the wider cost of regulation and compliance related to the company's registration with the FCA means the directors will continue to seek operational efficiencies to offset such costs.

Financial key performance indicators

Turnover: 2021 - £2,412,328 (2020 - £2,470,226)

Operating Profit: 2021 - £76,684 (2020 - £216,100 operating loss)

This report was approved by the board on 19 August 2021

and signed on its behalf.

Jack Manoukian

Mr J Manoukian
Director

ATC BROKERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2021

The directors present their report and the financial statements for the year ended 30 April 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.

Results and dividends

The profit for the year, after taxation, amounted to £114,884 (2020 - loss £214,882).

Directors

The directors who served during the year were:

Mr D Manoukian
Mr J Manoukian
Ms J C Claudio

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.

ATC BROKERS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

COVID 19

There have been significant global developments related to the Coronavirus (COVID 19) pandemic during 2021. As a result of this pandemic, which is driving economic uncertainty worldwide, the Company may experience volatility that could impact the financial results and/or impede generic operations. The Company and the Directors continue to monitor this unprecedented situation and evaluate the impact of the pandemic.

Auditors

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

This report was approved by the board on 19 August 2021 and signed on its behalf.

Jack Manoukian

Mr J Manoukian
Director

ATC BROKERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATC BROKERS LIMITED

Opinion

We have audited the financial statements of ATC Brokers Limited (the 'Company') for the year ended 30 April 2021, which comprise the Statement of comprehensive income, 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 30 April 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.

ATC BROKERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATC BROKERS LIMITED (CONTINUED)

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 2, 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.

ATC BROKERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATC BROKERS LIMITED (CONTINUED)

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:

- We considered our general commercial and sector experience and held a discussion with the Director and other management personnel to identify laws and regulations that could reasonably be expected to have a material effect on the financial statements.
- We determined that the laws and regulations which are directly relevant to the financial statements are those that relate to the reporting framework (UK Generally Accepted Accounting Practice) and the relevant tax compliance regulations in the jurisdictions in which the Company operates. We evaluated the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- The Company is subject to a number of other laws and regulations where consequences of non-compliance could have a material effect on the financial statements, for example imposition of fines/litigation, or the loss of the Company's licence to trade. We identified the following areas as those most likely to have such an effect: specific aspects of regulatory capital and liquidity, and compliance with the FCA rules. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Director and inspection of regulatory and legal correspondence, if any.
- In addition, there are other significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being those laws and regulations relating to General Data Protection Regulation (GDPR), fraud, bribery and corruption. For these laws and regulations, the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through fines or litigation being imposed. As required by the auditing standards, auditing procedures in respect of non-compliance with these identified laws and regulations are limited to enquiry of the Director and other management and inspection of regulatory and legal correspondence, if any.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur and by discussing with management to understand where they considered there was susceptibility to fraud. As part of these discussions, we also gained an understanding of the controls that are in place which are designed to prevent and detect irregularities arising from fraud. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and posting of inappropriate journal entries in order to improve reported performance. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and fraud risks identified in the paragraphs above. In addition to the audit procedures, we communicated the identified laws and regulations to the audit team and remained alert to any indications of non-compliance throughout the audit. The specific audit procedures performed by the engagement team included:
 - o Review of Board minutes;
 - o Reviewed correspondence received from regulatory bodies;
 - o Reviewed large and unusual bank transactions;

ATC BROKERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATC BROKERS LIMITED (CONTINUED)

o Identifying and testing journal entries, in particular, any journal entries posted by unexpected users, journals posted at unexpected times (for example, weekend), journals reflecting unusual account combinations, journals indicating large or unusual transactions based on our understanding of the business or journals with descriptions containing key unexpected words.

There are inherent limitations of an audit. There is a higher risk that irregularities, including fraud, will not be detected during the audit as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. The primary responsibility for the prevention and detection of non-compliance with all laws.

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 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 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

Gerard Collins

Gerard Collins (Senior statutory auditor)

for and on behalf of

Ecovis Wingrave Yeats LLP

Chartered Accountants & Statutory Auditor

Waverley House

7-12 Noel Street

London

W1F 8GQ

Date: 19 August 2021

ATC BROKERS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|------------------|
| Turnover | 4 | 2,412,328 | 2,470,226 |
| Cost of sales | | (503,724) | (479,561) |
| Gross profit | | 1,908,604 | 1,990,665 |
| Administrative expenses | | (1,831,920) | (2,206,765) |
| Operating profit/(loss) | 5 | 76,684 | (216,100) |
| Interest receivable and similar income | 9 | 343 | - |
| Profit/(loss) before tax | | 77,027 | (216,100) |
| Tax on profit/(loss) | 10 | 37,857 | 1,218 |
| Profit/(loss) for the financial year | | 114,884 | (214,882) |

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 12 to 22 form part of these financial statements.

ATC BROKERS LIMITED
REGISTERED NUMBER: 08036570

BALANCE SHEET
AS AT 30 APRIL 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 205 | 1,967 |
| | | <u>205</u> | <u>1,967</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 12 | 113,635 | 112,832 |
| Cash at bank and in hand | 13 | 5,813,269 | 6,913,360 |
| | | <u>5,926,904</u> | <u>7,026,192</u> |
| Creditors: amounts falling due within one year | 14 | (4,197,582) | (5,413,516) |
| Net current assets | | <u>1,729,322</u> | <u>1,612,676</u> |
| Total assets less current liabilities | | <u>1,729,527</u> | <u>1,614,643</u> |
| Net assets | | <u><u>1,729,527</u></u> | <u><u>1,614,643</u></u> |
| Capital and reserves | | | |
| Called up share capital | 16 | 785,246 | 785,246 |
| Profit and loss account | | 944,281 | 829,397 |
| | | <u>1,729,527</u> | <u>1,614,643</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 August 2021

Jack Manoukian

Mr J Manoukian
Director

The notes on pages 12 to 22 form part of these financial statements.

ATC BROKERS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021

| | Called up share capital | Profit and loss account | Total equity |
|--|----------------------------|----------------------------|------------------|
| | £ | £ | £ |
| At 1 May 2019 | 785,246 | 1,044,279 | 1,829,525 |
| Comprehensive income for the year | | | |
| Loss for the year | - | (214,882) | (214,882) |
| | <hr/> | <hr/> | <hr/> |
| At 1 May 2020 | 785,246 | 829,397 | 1,614,643 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 114,884 | 114,884 |
| | <hr/> | <hr/> | <hr/> |
| At 30 April 2021 | 785,246 | 944,281 | 1,729,527 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 12 to 22 form part of these financial statements.

ATC BROKERS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2021**

| | 2021 £ | 2020 £ |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Profit/(Loss) for the financial year | 114,884 | (214,882) |
| Adjustments for: | | |
| Depreciation of tangible assets | 1,762 | 2,066 |
| Interest received | (343) | - |
| Taxation credit | (37,857) | (1,218) |
| Increase in debtors | (803) | (72,874) |
| Increase in creditors | 138,232 | 6,295 |
| Decrease in amounts owed to participating interests | (1,353,680) | (1,160,599) |
| Corporation tax received | 37,371 | - |
| Net cash generated from operating activities | (1,100,434) | (1,441,212) |
| Cash flows from investing activities | | |
| Interest received | 343 | - |
| Net cash from investing activities | 343 | - |
| Net decrease in cash and cash equivalents | (1,100,091) | (1,441,212) |
| Cash and cash equivalents at beginning of year | 6,913,360 | 8,354,572 |
| Cash and cash equivalents at the end of year | 5,813,269 | 6,913,360 |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 5,813,269 | 6,913,360 |
| | 5,813,269 | 6,913,360 |

The notes on pages 12 to 22 form part of these financial statements.

ATC BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1. General information

ATC Brokers Limited is a private company, limited by shares, domiciled in England and Wales, registration number 08036570. The registered office is 3rd Floor Waverley House, 7-12 Noel Street, London, W1F 8GQ.

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

There have been significant global developments related to the Coronavirus (COVID 19) pandemic during 2021. As a result of this pandemic, which is driving economic uncertainty worldwide, the Company may experience volatility that could impact the financial results and/or impede generic operations. The Company and the Directors continue to monitor this unprecedented situation and evaluate the impact of the pandemic.

2.3 Revenue

Revenue is generated through commissions earned on trading platform accounts.

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. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

ATC BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

2. Accounting policies (continued)

2.4 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 Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Interest income

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

2.7 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 balance sheet date in the countries where the Company operates and generates income.

ATC BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

2. Accounting policies (continued)

2.8 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:

| | |
|-----------------------|------------------------|
| Fixtures and fittings | - 3 year straight line |
| Computer equipment | - 3 year 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.

2.9 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.

2.10 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.

2.11 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.

ATC BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

2. Accounting policies (continued)

2.12 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.

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 Statement of comprehensive income.

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.

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

No key judgements were used in the preparation of the financial statements.

4. Turnover

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

| | 2021 £ | 2020 £ |
|-------------------|------------------|------------------|
| Commission income | 2,412,328 | 2,470,226 |
| | <u>2,412,328</u> | <u>2,470,226</u> |

All turnover arose within the United Kingdom.

ATC BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

| | 2021 | 2020 |
|----------------------|-----------------|----------------|
| | £ | £ |
| Exchange differences | (56,841) | (4,804) |

6. Auditors' remuneration

| | 2021 | 2020 |
|---|---------------|---------------|
| | £ | £ |
| Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements | 12,600 | 10,100 |

Fees payable to the Company's auditor and its associates in respect of:

| | | |
|--------------------|---------------|---------------|
| All other services | 30,418 | 25,829 |
| | 30,418 | 25,829 |

7. Employees

Staff costs, including directors' remuneration, were as follows:

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Wages and salaries | 117,802 | 120,049 |
| Social security costs | 8,068 | 11,424 |
| Company contributions to defined contribution pension schemes | 2,711 | 2,831 |
| | 128,581 | 134,304 |

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

| | 2021 | 2020 |
|-----------|-------------|-------------|
| | No. | No. |
| Directors | 3 | 4 |
| Employees | 2 | 2 |
| | 5 | 6 |

ATC BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

8. Directors' remuneration and key management personnel

| | 2021 £ | 2020 £ |
|---|---------------|---------------|
| Directors' emoluments | 49,000 | 56,549 |
| Company contributions to defined contribution pension schemes | 1,258 | 1,389 |
| | <u>50,258</u> | <u>57,938</u> |

During the year retirement benefits were accruing to 1 director (2020 - 2) in respect of defined contribution pension schemes.

Key management personnel is considered to be limited to the directors.

9. Interest receivable

| | 2021 £ | 2020 £ |
|---------------------------|------------|-----------|
| Other interest receivable | 343 | - |
| | <u>343</u> | <u>-</u> |

ATC BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

10. Taxation

| | 2021 £ | 2020 £ |
|---|-----------------|----------------|
| Corporation tax | | |
| Current tax on profits for the year | (486) | (1,218) |
| Adjustments in respect of previous periods | (37,371) | - |
| | <u>(37,857)</u> | <u>(1,218)</u> |
| Total current tax | <u>(37,857)</u> | <u>(1,218)</u> |
| Deferred tax | | |
| Total deferred tax | - | - |
| Taxation on profit/(loss) on ordinary activities | <u>(37,857)</u> | <u>(1,218)</u> |

Factors affecting tax charge for the year

The tax assessed for the year is lower 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/(loss) on ordinary activities before tax | <u>77,027</u> | <u>(216,100)</u> |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | 14,635 | (41,059) |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 295 | 41,545 |
| Utilisation of tax losses | (15,416) | - |
| Adjustments to tax charge in respect of prior periods | (37,371) | (1,704) |
| Total tax charge for the year | <u>(37,857)</u> | <u>(1,218)</u> |

Factors that may affect future tax charges

As at the year end, the company has estimated tax losses carried forward of £134,138 (2020 - £213,061) available for offset against future taxable trading profits.

ATC BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

11. Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-------------------------------------|-------------------------------|----------------------------|------------|
| Cost or valuation | | | |
| At 1 May 2020 | 224 | 7,253 | 7,477 |
| At 30 April 2021 | 224 | 7,253 | 7,477 |
| Depreciation | | | |
| At 1 May 2020 | 112 | 5,398 | 5,510 |
| Charge for the year on owned assets | 75 | 1,687 | 1,762 |
| At 30 April 2021 | 187 | 7,085 | 7,272 |
| Net book value | | | |
| At 30 April 2021 | 37 | 168 | 205 |
| At 30 April 2020 | 112 | 1,855 | 1,967 |

ATC BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

12. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|----------------|
| Other debtors | 53,796 | 68,672 |
| Prepayments and accrued income | 59,839 | 44,160 |
| | <u>113,635</u> | <u>112,832</u> |

13. Cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | 5,813,269 | 6,913,360 |
| | <u>5,813,269</u> | <u>6,913,360</u> |

Included within cash at bank and in hand is client monies held of £4,139,353 (2020 - £5,325,949) with the corresponding amount forming part of the creditors balance. The surplus reported as at the year end was satisfactorily cleared in full by performing a next working day transfer in accordance with the requirements of the FCA client money rules.

14. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 5,672 | 1,309 |
| Client monies | 3,945,754 | 5,299,434 |
| Corporation tax | - | 486 |
| Other taxation and social security | 1,956 | - |
| Other creditors | 182,559 | 51,643 |
| Accruals and deferred income | 61,641 | 60,644 |
| | <u>4,197,582</u> | <u>5,413,516</u> |

Included within creditors is a liability to the firm's clients regarding client money held for the purpose of trading as per the principal activity. This amounts to £3,945,754 (2020 - £5,299,434) with the corresponding amount forming part of the cash at bank balance.

ATC BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

15. Financial instruments

| | 2021 £ | 2020 £ |
|---|--------------------|--------------------|
| Financial assets | | |
| Financial assets measured at fair value through profit or loss | 5,813,269 | 6,913,360 |
| Financial assets that are debt instruments measured at amortised cost | 113,635 | 50,606 |
| | <u>5,926,904</u> | <u>6,963,966</u> |
| Financial liabilities | | |
| Financial liabilities measured at amortised cost | <u>(4,197,582)</u> | <u>(5,412,292)</u> |

16. Share capital

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Allotted, called up and fully paid | | |
| 785,246 (2020 - 785,246) Ordinary shares of £1.00 each | <u>785,246</u> | <u>785,246</u> |

17. Pension commitments

The Company operates a defined contribution's pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pensions cost charge represents contributions payable by the Company to the fund and amounted to £2,827 (2020 - £2,831). The amount payable to the fund at the balance sheet date was £622 (2020 - £738).

18. Commitments under operating leases

At 30 April 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 | 36,798 | 3,680 |
| | <u>36,798</u> | <u>3,680</u> |

ATC BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

19. Transactions with directors

The amount due from Directors outstanding at the year end was £1,536 (2020 - £2,955).

The amounts due from Directors are unsecured, interest free and repayable on demand.

20. Related party transactions

During the year a related party by virtue of common directorship provided services to ATC Brokers Limited totalling £1,261,360 (2020 - £1,561,146). An amount of £Nil (2020 - £Nil) was outstanding as at the year end date.

21. Controlling party

The company was under the joint control of D Manoukian and J Manoukian by virtue of their shareholdings.