

**ADVANCE GLOBAL CAPITAL
LIMITED**

Annual Reports and Financial Statements

For the Year Ended

31 December 2021

Company Number 08179304

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ADVANCE GLOBAL CAPITAL LIMITED

COMPANY INFORMATION

Directors	Daniel J. Kreps Janet McKinley Sudha Bharadia Sam M. Hicks Hendrik J. M. Van Deventer Ellen O. Carr
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Company secretary	Hendrik J. M. Van Deventer
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Registered number	08179304
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Registered office	55 Baker Street London W1U 7EU
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Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
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ADVANCE GLOBAL CAPITAL LIMITED

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ADVANCE GLOBAL CAPITAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The Directors present their report and the audited financial statements of Advance Global Capital Limited ("the Company") for the year ended 31 December 2021.

Principal activities and review of the business

The principal activity of the Company in the year was that of managing investment funds ("the Funds") that specialise in alternative credit in emerging and underserved markets. The Company is authorised and regulated by the Financial Conduct Authority in the United Kingdom ("UK").

The results for the year and the financial position at the year-end were considered in-line with revised expectations of the Directors given the Company's long-term strategic goals. The Directors do not anticipate any change in the nature of these activities or business developments for the foreseeable future.

At the date of publishing these accounts, the unprecedented Covid-19 global pandemic is still ongoing. The impact on global economies and the timing of when global economies will fully reopen remains uncertain.

The Funds managed by the Company are mainly focused on providing alternative credit in emerging and underserved markets. Depending on sector and geography, some of these markets may be affected by the crisis. Several of the economies in which the Funds are invested have begun vaccine programs and have started reopening their economies. While uncertainty remains, the outlook is considered more positive than the prior year. New outbreaks of the virus and "lock-down's" in the markets the Funds invest in could potentially impact the returns of the Funds and may affect the revenues of the Company.

The Directors and management of the company have performed a detailed analysis of the possible effects of the pandemic on its business model and operations. This assessment included, among other things, a consideration of Fund growth targets, Fund redemption rates, Fund investor base diversification, fx volatility on the currency of Company revenues, fixed and variable Company expenditure, Company shareholder support and Company regulatory capital requirements. In addition, the Company's income levels were stress-tested to determine a range of possible outcomes and their impact on the Company's profitability.

After considering all these points and the scenario analysis, the Directors are of the belief that the Company is sufficiently positioned to weather the Covid-19 pandemic and trade through and beyond the crisis. The Directors will, however, continue to monitor all developments closely and will actively take steps as deemed appropriate should circumstances change.

The conflict in Ukraine is also being closely monitored. The Funds are not directly exposed to the Ukraine, but the impact of the conflict, and sanctions imposed on Russia, could have wide-reaching implications for other countries the Funds may be exposed to. These include higher energy prices, higher oil and gas prices, and generally higher inflation. These factors may affect the credit quality of the positions the Funds are exposed to. The Funds and the Company have not experienced any direct consequences because of this, nonetheless the Directors will continue to monitor all developments closely and will actively take steps as necessary.

ADVANCE GLOBAL CAPITAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Review of the business

The loss for the year, after taxation is shown in the statement of comprehensive income on page 13.

The Company mainly generates revenues through management and performance fees associated with managing the Funds. The focus for the year ahead is to maintain the assets of the Funds while aiming to achieve satisfactory risk adjusted returns for investors. Income for the year ended 31 December 2021 has fallen slightly compared with the prior year and attributed to maintaining assets under management of the Company.

Total assets under management of the Company increased by 12% during the year ended 31 December 2021 (2020: constant). The current expectation is that the assets under management will continue to grow at the same pace for the following financial year. Management are hopeful that growth will continue throughout 2022. Current forecasts are that assets under management should increase by between 0% - 10% by 31 December 2022 which could result in increased management and performance fees for the Company.

There has been a continued focus during the financial year on reducing unnecessary expenditure. Total revenues of the Company decreased by 6% (2020: 4% increase) year-on-year while administrative expenses decreased by 26% (2020: 2%) year-on-year. There will be continued monitoring of the operational expense base of the Company during the 2022 financial year to ensure efficient and optimal use of Shareholders Capital.

Principal risks and uncertainties

The Board of Directors define the business strategy and oversee the associated risks of the Company by the implementation and monitoring of effective systems and control. The Company manages its risk via a risk matrix which identifies, quantifies, and establishes control procedures and assigns line responsibility for all risks that could have material impact on the firm. The potential risks identified are credit risk, liquidity risk, market risk and operational risk. These potential risks are mitigated by periodic monitoring of the financial strength of credit institutions where cash is held, contractual agreements of fee payments, preparation of budgets, monitoring of cash levels and hedging against any unexpected currency fluctuations, respectively.

Additionally, as required by the Financial Conduct Authority in the UK, the Company:

- carries out regular assessments of the amounts, types and distribution of financial resources, capital resources and internal capital that it considers adequate to cover the nature and level of the risks to which it is or might be exposed;
- identifies the major sources of risk to its ability to meet its liabilities as they fall due;
- conducts stress and scenario tests;
- ensures that the processes, strategies and systems are both comprehensive and proportionate to the nature, scale and complexity of the Company's activities; and
- formally documents all control processes and procedures.

ADVANCE GLOBAL CAPITAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Directors of the Company consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members 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 year ended 31 December 2021. This section of the Companies Act 2006 requires the Board of Directors to have regard to six specified areas that relate to wider stakeholder interests, being:

- the likely consequence of any decision in the long term;
- the interests of employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of operations on the community and the environment;
- the desirability to maintain a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

Each of these are discussed in more detail below.

Our purpose, strategy, and consideration of the consequences of decisions for the long term

The Company is a global impact investment manager that supports local economic growth in underserved communities worldwide by providing alternative credit to these markets.

Our mission is to support local, responsible and inclusive economic growth by delivering well-structured financing options that help underserved businesses thrive.

We work with investors who want both risk-adjusted market-rate returns and measurable, positive impact that aligns with their values. Together with our investors, we believe that private capital has the potential to do good in the world, and that SMEs, especially those owned by women, are worth supporting. We want to make sure that money continues to move around the world to work hard for our investors, partners and SMEs.

To ensure the Board have the most up-to-date information available to assist them in their decision-making, meetings are regularly held between senior management and the Board. In addition to these meetings the Board held 8 formal Board meetings and several informal meetings during 2021. Any decision taken at these meetings is carefully considered taking the effect on all foreseeable stakeholders into account. Besides for specific items which may be discussed and considered at Board meetings, there is a standing agenda for each meeting to provide the Board of Directors with updates on:

- Compliance, Legal & Regulatory
- Risk Management
- Technology
- Finance & Accounting
- Investor Relations
- Service Providers
- Operations
- Strategy
- Human Resources

The Board annually reviews the business plan and budget for the next two financial years in November of each year. The most recent review of the business plan and budget was in December 2021 and was approved after careful consideration of the effects on, among others, employees, the Funds, investors, regulators and the greater community in which the Company and Funds operate.

ADVANCE GLOBAL CAPITAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Interests of employees

Being a relatively small Company of 16 employees operating in one location, there is a high level of visibility of the Board and management by employees and vice versa. In 2021, in addition to feedback from employees considered through the annual appraisal process, engagement with employees included:

- Periodic update meetings between senior management and employees to ensure all staff are updated on business developments;
- Individual meeting sessions between employees and Board representatives where employees were encouraged to provide feedback and suggestions; and
- Individual meeting sessions between the employees and the majority shareholder of the business to foster an open relationship and allow questions to be asked.

The Company has well-documented employee policies which are provided to all employees when they join the Company. Employees are also required to attest on an annual basis that they are aware of the policies and understand them. These policies include, among other items, a whistleblowing policy. This policy sets out the process for employees to follow if they believe one of their colleagues (irrespective of seniority) is not living up to the high standards expected of all employees and contractors of the Company.

Human Resources and Employees are discussed at each Board meeting as part of the standing Board meeting agenda.

Understanding stakeholders, fostering business relationships and acting fairly between members of the company

Building and nurturing strong working relationships with employees, investors, investees, suppliers, professional services firms, and other stakeholders is critical to the success of the Company and is intrinsic in the day-to-day activities.

The manner in which the Board of Directors undertakes to understand key stakeholders is summarised below:

Investors

The Company seeks to attract investors into our Funds both directly and via intermediaries such as wealth advisors, multi-family offices and impact advisors. Our investor base is made up of HNWI's, Foundations, Family Offices, Funds/Funds of Funds, and Endowments. We have an active marketing strategy globally including the US, the UK and Switzerland.

Investors are provided with a high degree of transparency through monthly factsheets, quarterly performance reports and an annual impact report. Investors have the ability to request calls or meetings with the Board of Directors if deemed necessary.

Investor Relations are discussed at each Board meeting as part of the standing Board meeting agenda.

Investee Companies

The success of the Company is inextricably linked to the success of the Funds we manage. These Funds raise capital from investors and mainly deploy money to Small and Medium sized businesses ("SME's") through intermediary financial institutions around the world. The Company sources financing opportunities through these intermediaries resulting in a combination of both financial returns and social impact returns.

Employees of the Company are in constant communication with the intermediaries on a day-to-day basis. On a monthly basis a formal update of the portfolio is provided by senior management to the Investment Committee who have been mandated by the Board to oversee and manage the portfolio. The portfolio review report is also provided to the Board of Directors independently of the investment committee.

ADVANCE GLOBAL CAPITAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Fostering strong business relationships with these intermediaries is of utmost importance to the success of the Funds and the Company. The Company does however hold Environmental, Social, Governance and Impact ("ESGI") considerations in the highest regard and does not allow financial motivations to override these considerations. The Company requires all intermediaries to sign an ESGI memorandum of understanding at the onset of the relationship whereby they agree to support the Company's impact objectives, comply with Company ESGI screenings, and commit to good business practices.

Suppliers

Suppliers mainly include administrative suppliers and professional service firms. The Board have tasked senior management with the responsibility to foster relationships with these suppliers and to review service delivery levels and propose changes to service providers from time-to-time. Service providers are discussed at each Board meeting as part of the standing Board meeting agenda.

Regulatory, legal and statutory

The Company has interactions with various regulators, including the UK, US, Cayman Islands and Switzerland. The Board hold regulators in high esteem and promote a culture of always ensuring compliance with regulatory requirements. Compliance, legal and regulatory updates and feedback are informally provided to the Board by management on a continuous basis. There is also a formal update provided at each Board meeting as part of the standing Board meeting agenda.

The desirability to maintain a reputation for high standards of business conduct and considering the impact of operations on the community and the environment

During the prior financial year the Company issued a revised and updated ESGI Policy. This policy outlines how the Company's mission and values are reflected in the operations of its business. The policy sets expectations for how it pursues its social impact objectives and how it considers environmental, social, governance and impact issues in its investment process. All staff were provided with training on the updated policy.

The Company is committed to measuring and reporting the social impact using standard social impact metrics which align with UN Sustainable Development Goals 5, 8 and 9 which address Gender Equality, Decent Work and Economic Growth and Industry, Innovation and Infrastructure.

The Company's social impact objectives are defined as:

- Financial inclusion;
- Small business (SME) growth and job creation;
- Opportunities for women;
- Strengthening local financial ecosystems; and
- Reduce inequality.

The Company incorporates ESGI Screening into our Fund investment process by refraining from investing in industries and companies that are substantially involved in either the production or distribution of fossil fuels or in sectors and businesses identified in the IFC Exclusion List. Reporting of industry exposures is provided to the investment committee and Board of Directors on at least a monthly basis.

The Company works with local financial intermediaries to deliver flexible working capital to underserved, formally organised businesses – and especially those led by women and other underrepresented groups – so that they can survive, grow and create jobs – helping to create resilient local economies worldwide.

We believe that the best way to reduce poverty and strengthen local communities is through sustained economic growth. We believe that private capital, when invested well, is a powerful force for good. We also believe that socioeconomic justice starts with inclusive financial services. We strive to be ethical, honest, and responsible business partners that leave the world better than the way we found it.

ADVANCE GLOBAL CAPITAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The Company published its 4th Annual Impact Report in July 2021 – This report evaluates the progress of the Company towards meeting our impact objectives and evaluates and informs management of the business. A summary of our findings was shared with the Board of Directors, investors, financial intermediaries and other stakeholders.

We recognise that the implementation of our social impact objectives and ethical and ESGI considerations can be complex. If any employee, contractor or intermediary has a question or considers that the policy has not been followed in respect of the Company's objectives, a framework has been created to allow such a person to escalate the matter directly to the Board of Directors.

The Company is a woman-owned business regulated by the FCA. It operates within the UK's comprehensive, progressive corporate policies environment and conducts itself with fair, ethical business practices that provide leadership and a role model for its financial intermediaries around the world.

The selection of local financial intermediaries provides the Company with efficient ways to promote better business practices globally while addressing local market needs.

The Company has a comprehensive suite of policies which have been approved by the Board of Directors. These policies provide guidance on how potential disputes can be resolved and provides a framework for how grievances can be reported if employees, investors or financial partners are not satisfied with how the Company goes about its business.

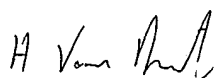
Future Company prospects

The Directors are satisfied with the results for the year and the financial position of the Company at the balance sheet date.

The Company has seen good progress of its business development in the year ended 31 December 2021 and the Directors are confident that while 2022 may be a tough year due to the global economic climate, the Company will navigate the challenges and achieve the goals set for the year ending 31 December 2022. The Directors do not foresee any changes to the nature of the Company's activity going forward.

At 31 December 2021, the Directors feel that the Company is adequately capitalised to meet all financial obligations and to continue as a going concern for the foreseeable future.

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



Hendrik J. M. Van Deventer
Director

Date: 27 April 2022

ADVANCE GLOBAL CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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

Results and dividends

The loss for the year, after taxation, amounted to £675,309 (2020 - loss £1,234,680).

There were no dividends paid, recommended or declared during the current or previous financial year.

Directors

The Directors who served during the year and up to the date of this report were:

Daniel J. Kreps
Janet McKinley
Nathaniel H. Hartley (resigned 14 March 2022)
Sudha Bharadia (appointed 1 March 2021)
Sam M. Hicks (appointed 1 March 2021)
Hendrik J. M. Van Deventer (appointed 1 March 2021)
Ellen O. Carr (appointed 1 September 2021)

Qualifying third party indemnity provisions

The Company has indemnified the Directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

Disclosure of information to auditor

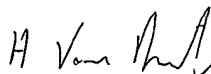
Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

Auditor

The auditor, BDO 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.



Hendrik J. M. Van Deventer
Director

Date: 27 April 2022

ADVANCE GLOBAL CAPITAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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 judgements 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; 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 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.

ADVANCE GLOBAL CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE GLOBAL CAPITAL LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss 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.

We have audited the financial statements of Advance Global Capital Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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.

ADVANCE GLOBAL CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE GLOBAL CAPITAL LIMITED (CONTINUED)

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. 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.

Other Companies Act 2006 reporting

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.

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 Statement of Directors' Responsibilities, 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.

ADVANCE GLOBAL CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE GLOBAL CAPITAL LIMITED (CONTINUED)

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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 gained an understanding of the legal and regulatory framework applicable to the company and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These laws and regulations included but were not limited to compliance with the Companies Act 2006, those resulting from being authorised by the Financial Conduct Authority to undertake regulated activities and accounting standards.

We considered compliance with laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding any known irregularities;
- testing of journal postings made during the year to identify potential management override of controls;
- review of correspondences with the FCA; and
- review of board meeting minutes throughout the period.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and discussed how and where these might occur and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ADVANCE GLOBAL CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE GLOBAL CAPITAL LIMITED (CONTINUED)

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.

DocuSigned by:

Timothy West

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Timothy West (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 27 April 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

ADVANCE GLOBAL CAPITAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	1,429,772	1,525,319
Administrative expenses		(2,086,046)	(2,820,660)
Fair value (loss)/gain		(19,035)	60,661
Operating loss	5	(675,309)	(1,234,680)
Loss before taxation		(675,309)	(1,234,680)
Loss for the financial year		(675,309)	(1,234,680)

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

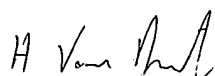
The notes on pages 17 to 28 form part of these financial statements.

ADVANCE GLOBAL CAPITAL LIMITED
REGISTERED NUMBER: 08179304

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	10,423	4,890
		<u>10,423</u>	<u>4,890</u>
Current assets			
Debtors: amounts falling due within one year	10	943,878	1,043,279
Cash at bank and in hand		214,346	872,122
		<u>1,158,224</u>	<u>1,915,401</u>
Current liabilities: amounts falling due within one year	11	(318,352)	(394,687)
Net current assets		<u>839,872</u>	<u>1,520,714</u>
Net assets		<u>850,295</u>	<u>1,525,604</u>
Capital and reserves			
Called up share capital	12	133,516	133,516
Share premium account	14	14,120,298	14,120,298
Profit and loss account	14	(13,403,519)	(12,728,210)
		<u>850,295</u>	<u>1,525,604</u>

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



Hendrik J. M. Van Deventer
Director

Date: 27 April 2022

The notes on pages 17 to 28 form part of these financial statements.

ADVANCE GLOBAL CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Share premium £	Retained losses £	Total equity £
At 1 January 2020	132,772	13,376,607	(11,493,530)	2,015,849
Loss for the year	-	-	(1,234,680)	(1,234,680)
Proceeds from issue of shares	744	743,691	-	744,435
At 1 January 2021	<u>133,516</u>	<u>14,120,298</u>	<u>(12,728,210)</u>	<u>1,525,604</u>
Loss for the year	-	-	(675,309)	(675,309)
At 31 December 2021	<u><u>133,516</u></u>	<u><u>14,120,298</u></u>	<u><u>(13,403,519)</u></u>	<u><u>850,295</u></u>

The notes on pages 17 to 28 form part of these financial statements.

ADVANCE GLOBAL CAPITAL LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Loss for the financial year	(675,309)	(1,234,680)
Adjustments for:		
Depreciation of tangible assets	4,151	3,480
Decrease in debtors	80,366	326,458
Decrease in creditors	(76,335)	(41,220)
Net fair value losses/(gains) recognised in P&L	19,035	(60,661)
Net cash used in operating activities	(648,092)	(1,006,623)
Cash flows from investing activities		
Purchase of tangible fixed assets	(9,684)	(2,500)
Net cash used in investing activities	(9,684)	(2,500)
Cash flows from financing activities		
Issue of ordinary shares	-	744,435
Net cash generated from financing activities	-	744,435
Net decrease in cash and cash equivalents	(657,776)	(264,688)
Cash and cash equivalents at beginning of year	872,122	1,136,810
Cash and cash equivalents at the end of year	214,346	872,122
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	214,346	872,122
	214,346	872,122

The notes on pages 17 to 28 form part of these financial statements.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The Company is a private company limited by shares. It is both incorporated and domiciled in England and Wales. Its principal place of business is:

60 Cannon Street
London
EC4N 6NP
United Kingdom

A description of the nature of the entity's operations and its principal activities are included in the Strategic Report.

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 judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

As of the date these financial statements were available to be issued the COVID-19 pandemic is ongoing. The impact on global economies and the timing of when global economies will fully reopen remains uncertain.

Management of the Company have thoroughly considered the potential effects of the COVID-19 pandemic and the effect it may have on the Company's ability to continue as a going concern. This assessment included, among other things:

- Growth forecasts of Assets Under Management which directly affect the revenue forecasts of the Company. These forecasts were already set very conservatively prior to the COVID-19 crisis but have been revised to a steady-growth forecast for the coming year;
- Fund Redemptions: Actual redemptions have remained in line with expectations and the Company has the necessary legal protections in place should redemptions accelerate to unmanageable levels;
- Investor base of the Funds: A sufficiently diverse investor base without reliance on any single investor;
- FX Rates: The fluctuating GBP exchange rate against USD is currently beneficial for the Company as almost all income is earned in USD. FX movements are protected against by using forward exchange contracts;

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.2 Going concern (continued)

- Budgets: Income targets have been broadly met while actual expenses are currently below budget. Further cost cutting initiatives can be undertaken relatively quickly if deemed necessary;
- Shareholder Support: The ultimate controlling parent of the Company will continue to provide financial support to the Company, if required, for at least 12 months following the approval of these financial statements; and
- Capital Levels: Actual capital levels are significantly higher than required by the Company's regulator, the Financial Conduct Authority, and sufficient to cover an extended period of operating expenses if required.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continues to receive the full support of its ultimate controlling parent, Money In Motion LLC.

At the date of approving the financial statements Management believe there is nothing to suggest the Company is unable to continue as a going concern. The Directors therefore believe it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

2.3 Foreign currency translation

The financial statements are presented in GBP, which is the Company's functional and presentational currency.

Foreign currency transactions

Foreign currency transactions are translated into GBP using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Foreign operations

The assets and liabilities of foreign operations are translated into GBP using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into GBP using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

2.4 Turnover

Turnover of the Company, which is stated net of any value added tax, represents fees arising from management of the fund.

These fees are generated through investment management agreements and are generally based on an agreed percentage of the valuation of AUM. The fees are recognised as the service is provided and it is probable that the fee will be received.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Corporation tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change 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 corporation 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.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.6 Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2.7 Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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:

IT equipment	- 3 years
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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.

2.8 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.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.10 Creditors

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

2.11 Financial instruments

The Company enters into basic financial instruments 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 non-puttable ordinary shares. The Company also enters into other financial instrument transactions in the form of derivatives held at fair value.

Classification

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapters 11 and 12 of FRS 102.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially at transaction price and subsequently at amortised cost.

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.

The Company uses derivative financial instruments to manage exposures to interest rate and foreign currency risks, including exposures arising from forecast transactions.

The Company's derivative financial instruments are measured at fair value.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.12 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 the statement of comprehensive income 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.

3. Critical accounting judgements, estimates and assumptions

Critical accounting estimates are those where there is a significant risk of material adjustment in the next 12 months, and critical judgements are those that have the most significant effect on amounts recognised in the accounts.

There are no judgements made in applying the accounting policies, or any other major source of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Turnover

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

	2021 £	2020 £
Management and performance fees	1,429,772	1,525,319

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2021 £	2020 £
Auditor's remuneration:		
- Audit fee for current year	25,000	25,000
- Other non-audit services	36,678	53,009
Depreciation	4,151	3,480
Foreign exchange differences	(13,341)	6,012
Other operating lease rentals	44,063	83,342

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Average number of employees and employee benefits expense

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

	2021 No.	2020 No.
Professional staff	14	15
Administrative staff	2	2
	<u>16</u>	<u>17</u>

The aggregate payroll costs of staff were:

	2021 £	2020 £
Wages and salaries	1,070,219	1,181,269
Social security costs	128,925	129,150
Cost of defined contribution pension scheme	40,875	43,307
	<u>1,240,019</u>	<u>1,353,726</u>

Wages and salaries include amounts paid to executive directors as detailed in note 7 - Directors' remuneration.

The Company operates an Incentive Rights Plan (the "Plan"). The purpose of the Plan is to reward participants in the event there was a liquidity event in future. A liquidity event is defined as:

- any transaction or series of transactions by which a Third Party acquires more than 50% of the voting shares in the Company; or
- any transaction or series of transactions by which the Company sells to a Third Party all or substantially all of the assets and/or business of the Company.

The Board of the Company, in its sole discretion, may award the Plan units to participants. No consideration is payable by a participant for units allocated to the participant. Allocated units will lapse at the earlier of a participant leaving or September 2029, if no liquidity event has occurred by then. The directors of the parent company have concluded that a sale event is unlikely to occur in the foreseeable future therefore the number of units expected to be paid at this stage is nil.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	481,633	153,300
Company contributions to defined contribution pension schemes	16,749	6,899
	<u>498,382</u>	<u>160,199</u>

Only executive directors are entitled to remuneration.

The aggregate emoluments of the highest paid Director were £163,333 (2020: £153,300).

During the year retirement benefits were accruing to 3 directors (2020: 1) in respect of defined contribution pension schemes.

Directors' emoluments includes all amounts paid to executive directors in both their capacity as employees of the Company and as executive directors of the Company.

Directors' emoluments are included in 'Wages and Salaries' in note 6.

8. Taxation

Factors affecting tax charge for the year

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

	2021 £	2020 £
Loss on ordinary activities before tax	<u>(675,309)</u>	<u>(1,234,680)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(128,309)	(234,589)
Effects of:		
Losses carried forward or eliminated	128,199	235,026
Disallowable expenses	(2,205)	(623)
Capital allowances for year in excess of depreciation	2,315	186
Total tax charge for the year	<u>-</u>	<u>-</u>

The Company has an unrecognised deferred tax asset of £1,376,948 (2020: £936,355) comprising unutilised losses of £5,507,790 (2020: £5,507,790). The deferred tax asset has not been recognised due to the uncertainty over the timing of its recoverability.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Tangible fixed assets

	IT equipment £
Cost or valuation	
At 1 January 2021	38,779
Additions	9,684
At 31 December 2021	<u>48,463</u>
Depreciation	
At 1 January 2021	33,889
Charge for the year	4,151
At 31 December 2021	<u>38,040</u>
Net book value	
At 31 December 2021	<u>10,423</u>
At 31 December 2020	<u>4,890</u>

10. Debtors

	2021 £	2020 £
Accrued income	383,768	433,777
Other debtors	494,273	488,101
Prepayments	50,537	60,740
Financial instruments	15,300	60,661
	<u>943,878</u>	<u>1,043,279</u>

Other debtors includes a rent deposit for the office of £10,920 (2020: £10,920).

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	50,873	24,951
Other taxation and social security	32,485	31,267
Other creditors	1,178	51,285
Accruals	233,816	287,184
	318,352	394,687

12. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
129,944,492 (2020 - 129,944,492) A Class shares of £0.001 each	129,944	129,944
3,572,475 (2020 - 3,572,475) C Class shares of £0.001 each	3,572	3,572
	133,516	133,516

A class shares

A class shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

C class shares

C class shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	214,346	872,122
Financial assets measured at amortised cost	811,447	880,908
Derivative financial instruments measured at fair value through profit or loss	15,300	60,661
	<u>1,041,093</u>	<u>1,813,691</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>285,867</u>	<u>363,420</u>

Financial assets measured at amortised cost are comprised of accrued income and other debtors.

Financial assets measured at fair value through profit or loss are comprised of cash and cash equivalents and movement in the fair value of the derivatives. Fair value measurements are derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Financial liabilities measured at amortised cost are comprised of trade and other creditors.

14. Reserves

Share premium account

Share premium account represents the amount the Company received for its shares that exceeded shares' nominal value.

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

15. Contingent liabilities

The Company is aware of a claim in relation to a former employee. At this stage the outcome and timing of any potential financial outflow is uncertain and so the directors consider it is impracticable to disclose an estimate.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16. Pension commitments

The Company operates a defined contribution 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 £40,875 (2020: £43,307). Contributions totalling £279 (2020: £279 repayable to the Company) were repayable to the Company at the reporting date.

17. Commitments under operating leases

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

	2021 £	2020 £
Not later than 1 year	20,790	22,685
Later than 1 year and not later than 5 years	-	1,460
	<u>20,790</u>	<u>24,145</u>

Lease payments recognised as an expense in the year were £42,058 (2020: £78,809).

18. Related party transactions

Transactions with related parties

During the year the Company incurred no transactions with related parties.

Loans to/from controlling party

The Company has taken advantage of the exemption available under FRS102 paragraph 33.1A, related party transactions, not to disclose transactions with entities which are a part of the same group on the grounds that it is a wholly owned subsidiary.

Key management personnel

Total remuneration in respect of key management personnel was £481,633 (2020: £555,146). Included within the figure is directors' remuneration of £481,633 (2020: £153,300).

19. Controlling party

Money In Motion LLC is the immediate parent and the ultimate controlling parent of the Company. Money In Motion LLC. is a company registered in United States, in California.

ADVANCE GLOBAL CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

20. Analysis of net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	872,122	(657,776)	214,346
Fair value gain	60,661	(45,361)	15,300
	<u>932,783</u>	<u>(703,137)</u>	<u>229,646</u>

21. Post balance sheet events

On 27 January 2022, 620,107 A Ordinary shares were issued for £620,107.