

COMPANY REGISTRATION NUMBER: 09479851

Amberside Capital Ltd
Financial Statements
31 October 2021

HILLIER HOPKINS LLP

Chartered accountants & statutory auditor
Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

THURSDAY



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Amberside Capital Ltd

Financial Statements

Year ended 31 October 2021

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Amberside Capital Ltd

Officers and Professional Advisers

The board of directors	David James Lomas David James Scrivens Neil Michael Rutledge (Resigned 9 November 2021)
Company secretary	Debra Lynn Simpson Secunda
Registered office	Amberside House Wood Lane Hemel Hempstead Hertfordshire HP2 4TP
Auditor	Hillier Hopkins LLP Chartered accountants & statutory auditor Radius House 51 Clarendon Road Watford Herts WD17 1HP
Accountant	Amberside Accounting Ltd Amberside House Wood Lane Hemel Hempstead Herts HP2 4TP
Registered number	09479851

Amberside Capital Ltd

Strategic Report

Year ended 31 October 2021

Introduction

The directors present their strategic report for the year ended 31st October 2021.

Business review

The results for the year and the financial position of the company are shown in the financial statements which comprise the Statement of Comprehensive Income on page 13 and the Statement of Financial Position on page 14. During the year Amberside Capital committed significant senior resource to the development of DUGUUD Ltd, an impact investing company owning a brand aimed at retail investors. The company has continued to develop sectoral strength in hydroponics infrastructure and digital infrastructure. Its main revenue generating activity has been arrangement fees from the raising of investments, on-going fees from investments made and consultancy work to connected party companies. The company made a profit for the year, aided by a voluntary reduction in the director salaries while it focused on developing new business lines.

In July 2021 the sale Amberside Capital to DUGUUD Limited was agreed, subject only to FCA approval which was received in November 2021.

Principal risks and uncertainties

The company's revenue is dependent upon fees generated from fund raising activities and financial advisory both externally and with connected companies. There are no indications from the connected companies that the demand for financial advisory work is likely to reduce as other business lines develop.

Volatility in the energy markets is having a significant impact on the protected horticulture sector in the UK. This may have a knock-on effect both on Amberside Capital's track record and its ability to close fund raising mandates in the sector.

With its new parent company, DUGUUD will be seeking to raise funds on the listed markets. The success of these fund raises is a significant risk to the business.

Financial key performance indicators

Given the scale of the business and number of employees, the monthly operating cashflow and operating profit are used as short-term key performance indicators. The other metric which is monitored closely is the FCA's own funds requirement. When assessing which opportunities to pursue the directors consider expected fees in the short term, incentive payments in the longer term and the probability of a successful outcome.

Directors statement of compliance with duty to promote the success of the company

The directors of the company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 and include a duty to promote the success of the company, which is summarised below.

The executive directors meet regularly to discuss their duties and they can access professional advice on these - either through the company, or if they judge it necessary, from an independent provider.

The directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the company. The Board recognises that such delegation needs to extend beyond simple financial authorities, and have summarised below how the directors fulfil their on-going operational duties:

Amberside Capital Ltd

Strategic Report *(continued)*

Year ended 31 October 2021

i) Our People

The company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must ensure common values that inform and guide our behaviour.

ii) Business relationships

Our strategy prioritises organic growth, to achieve this we need to develop and maintain strong client relationships. We value all our clients and endeavour to act with integrity at all times.

In line with our business culture we value all our suppliers and endeavour to act with integrity at all times.

iii) Community and environment

As a business we recognise the impact we have on our community and the environment we operate in; as well as our ability to influence this. This influence is both direct, through making positive changes to our behaviours and how we do business, and indirect through choosing and influencing the businesses we work with.

Other key performance indicators

The principal non-financial key performance indicators which are considered by the directors relate to the environmental and social impact of our activities and investments as well as our presence and profile in our chosen markets. Maintaining this presence and profile is key to increasing our access to attractive investment opportunities and building closer relationships with investors in this space.

This report was approved by the board of directors on 22 February 2022 and signed on behalf of the board by:



David James Scrivens
Director

Registered office:
Amberside House
Wood Lane
Hemel Hempstead
Hertfordshire
HP2 4TP

Amberside Capital Ltd

Directors' Report

Year ended 31 October 2021

The directors present their report and the financial statements of the company for the year ended 31 October 2021.

Directors

The directors who served the company during the year were as follows:

David James Lomas
David James Scrivens
Neil Michael Rutledge

Dividends

The directors do not recommend the payment of a dividend.

Future developments

The company currently has a number of initiatives which are expected to provide revenue growth in the medium term. The company should be capable of covering its day to day running costs through advisory work within its connected companies, as the directors have reduced their salary in the short term to ensure sufficient cash is maintained in the business.

Engagement with suppliers, customers and others

The directors have regard for the need to appropriately foster the company's ongoing business relationships with suppliers, customers and others. The directors remain mindful of both the impact their decision making may have on such engaged parties, and the suitability of the company's communications with those parties.

Greenhouse gas emissions, energy consumption and energy efficiency action

The company has not disclosed information in respect of greenhouse gas emissions, energy consumption or energy efficiency action as its energy usage remained significantly less than the 40,000 kWh of energy limit that would necessitate additional disclosures.

Events after the end of the reporting period

After the year end there has been a continued deterioration in the prospects of one of Amberside Capital's managed investment. This is expected to have a significant impact on Amberside Capital's track record and will likely impact its ability to progress with its plans for a listed vehicle.

Other matters

The auditor, Hillier Hopkins, will be proposed for reappointment in accordance with section 485 of the Companies Act.

Amberside Capital Ltd

Directors' Report *(continued)*

Year ended 31 October 2021

Directors' responsibilities statement

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.
- The auditor, Hillier Hopkins, will be proposed for reappointment in accordance with section 485 of the Companies Act.

Amberside Capital Ltd

Directors' Report *(continued)*

Year ended 31 October 2021

This report was approved by the board of directors on 22 February 2022 and signed on behalf of the board by:



David James Scrivens
Director

Registered office:
Amberside House
Wood Lane
Hemel Hempstead
Hertfordshire
HP2 4TP

Amberside Capital Ltd

Independent Auditor's Report to the Members of Amberside Capital Ltd

Year ended 31 October 2021

Opinion

We have audited the financial statements of Amberside Capital Limited (the 'Company') for the year ended 31 October 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 31 October 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.

Amberside Capital Ltd

Independent Auditor's Report to the Members of Amberside Capital Ltd

(continued)

Year ended 31 October 2021

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.

Opinions 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.

Amberside Capital Ltd

Independent Auditor's Report to the Members of Amberside Capital Ltd

(continued)

Year ended 31 October 2021

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

Amberside Capital Ltd

Independent Auditor's Report to the Members of Amberside Capital Ltd

(continued)

Year ended 31 October 2021

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 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:

- Assessed the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- Assessed the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations (including those applicable due to the Company's FCA registration);
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Financial Conduct Authority regulations and relevant tax legislation.

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

Amberside Capital Ltd

Independent Auditor's Report to the Members of Amberside Capital Ltd

(continued)

Year ended 31 October 2021

rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the company's 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.



Simon Speller FCA (Senior Statutory Auditor)

For and on behalf of
Hillier Hopkins LLP
Chartered accountants & statutory auditor
Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

22 February 2022

Amberside Capital Ltd

Statement of Comprehensive Income

Year ended 31 October 2021

		2021	2020
	Note	£	£
Turnover	4	720,306	229,479
Cost of sales		283,186	117,030
Gross profit		437,120	112,449
Distribution costs		74,061	80,918
Administrative expenses		111,559	101,936
Other operating income	5	–	19,717
Operating profit/(loss)	6	251,500	(50,688)
Profit/(loss) before taxation		251,500	(50,688)
Tax on profit/(loss)	10	48,743	(7,705)
Profit/(loss) for the financial year and total comprehensive income		202,757	(42,983)

All the activities of the company are from continuing operations.

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 or 2020.

The notes on pages 16 to 27 form part of these financial statements.

Amberside Capital Ltd

Statement of Financial Position

31 October 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	11	5,059	5,764
Investments	12	258,946	58,946
		<u>264,005</u>	<u>64,710</u>
Current assets			
Debtors	13	88,199	152,882
Cash at bank and in hand		31,389	52,396
		<u>119,588</u>	<u>205,278</u>
Creditors: amounts falling due within one year	14	68,555	158,668
Net current assets		<u>51,033</u>	<u>46,610</u>
Total assets less current liabilities		315,038	111,320
Provisions	15	961	—
Net assets		<u>314,077</u>	<u>111,320</u>
Capital and reserves			
Called up share capital	20	317,120	317,120
Profit and loss account		(3,043)	(205,800)
Shareholders funds		<u>314,077</u>	<u>111,320</u>

These financial statements were approved by the board of directors and authorised for issue on 22 February 2022, and are signed on behalf of the board by:



David James Scrivens
Director

Company registration number: 09479851

The notes on pages 16 to 27 form part of these financial statements.

Amberside Capital Ltd
Statement of Changes in Equity
Year ended 31 October 2021

	Called up share capital £	Profit and loss account £	Total £
At 1 November 2019	317,120	(162,817)	154,303
Loss for the year		(42,983)	(42,983)
Total comprehensive income for the year	—	(42,983)	(42,983)
At 31 October 2020	317,120	(205,800)	111,320
Profit for the year		202,757	202,757
Total comprehensive income for the year	—	202,757	202,757
At 31 October 2021	<u>317,120</u>	<u>(3,043)</u>	<u>314,077</u>

The notes on pages 16 to 27 form part of these financial statements.

Amberside Capital Ltd

Statement of Cash Flows

Year ended 31 October 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit/(loss) for the financial year	202,757	(42,983)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,692	2,397
Government grant income	–	(19,717)
Loss on disposal of tangible fixed assets	187	–
Tax on profit/(loss)	48,743	(7,705)
Accrued income	(9,785)	(4,717)
<i>Changes in:</i>		
Trade and other debtors	71,868	(2,589)
Trade and other creditors	(95,536)	90,741
Cash generated from operations	219,926	15,427
Tax (paid)/received	(40,026)	7,705
Net cash from operating activities	<u>179,900</u>	<u>23,132</u>
Cash flows from investing activities		
Purchase of tangible assets	(2,723)	–
Proceeds from sale of tangible assets	1,549	–
Purchases of other investments	(200,100)	(17,142)
Proceeds from sale of other investments	100	8,356
Net cash used in investing activities	<u>(201,174)</u>	<u>(8,786)</u>
Cash flows from financing activities		
Proceeds from borrowings	267	(1,314)
Government grant income	–	19,717
Net cash from financing activities	<u>267</u>	<u>18,403</u>
Net (decrease)/increase in cash and cash equivalents	(21,007)	32,749
Cash and cash equivalents at beginning of year	52,396	19,647
Cash and cash equivalents at end of year	<u>31,389</u>	<u>52,396</u>

The notes on pages 16 to 27 form part of these financial statements.

Amberside Capital Ltd

Notes to the Financial Statements

Year ended 31 October 2021

1. General information

Amberside Capital Ltd is a members limited liability company, incorporated in England and Wales. The registered office is as per the company information page and is the same as its principal place of business.

The company's principal activity during the period was that of financial consultancy services and investment business.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost convention unless otherwise specified within the accounting policies and in accordance with Financial Reporting Standard 102 and the Companies Act 2006.

The following principal accounting policies have been applied.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Going concern

These accounts have been prepared using the going concern accounting basis reflecting the Board's confidence that the company has, with the combination of directors and group support together with future signed contracts, adequate resources to continue trading for the foreseeable future, being a period no less than 12 months from the date of these financial statements.

The Directors consider they have sufficiently managed the impact of Covid 19 to ensure it does not impact the company's ability to remain a going concern.

Creditors

Short term creditors are measured at the transaction price.

Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have made no material judgements in applying accounting policies and key source of estimation uncertainty.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of service

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.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

3. Accounting policies *(continued)*

Government grants *(continued)*

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Defined contribution plans

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.

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Services provided	<u>720,306</u>	<u>229,479</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2021	2020
	£	£
Government grant income	<u>—</u>	<u>19,717</u>

6. Operating profit

Operating profit or loss is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	1,692	2,397
Loss on disposal of tangible fixed assets	187	—
Impairment of trade debtors	<u>14,241</u>	<u>11,866</u>

7. Auditor's remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>6,000</u>	<u>6,000</u>

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021	2020
	No.	No.
Distribution staff	1	2
Administrative staff	1	1
Management staff	<u>2</u>	<u>2</u>
	<u>4</u>	<u>5</u>

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

8. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	334,185	171,810
Social security costs	42,327	18,599
Other pension costs	9,404	10,493
	<u>385,916</u>	<u>200,902</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	251,889	64,875
Company contributions to defined contribution pension plans	2,130	1,458
	<u>254,019</u>	<u>66,333</u>

Remuneration of the highest paid director in respect of qualifying services:

	2021	2020
	£	£
Aggregate remuneration	134,917	35,500
Company contributions to defined contribution pension plans	1,065	792
	<u>135,982</u>	<u>36,292</u>

10. Tax on profit/(loss)

Major components of tax expense/(income)

	2021	2020
	£	£
Current tax:		
UK current tax expense/(income)	48,743	(7,705)
Tax on profit/(loss)	<u>48,743</u>	<u>(7,705)</u>

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

10. Tax on profit/(loss) *(continued)*

Reconciliation of tax expense/(income)

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit/(loss) on ordinary activities before taxation	251,500	(50,688)
Profit/(loss) on ordinary activities by rate of tax	47,785	(9,631)
Effect of expenses not deductible for tax purposes	399	639
Other tax adjustment to increase/(decrease) tax liability	559	1,287
Tax on profit/(loss)	<u>48,743</u>	<u>(7,705)</u>

Factors that may affect future tax expense

On 3 March 2021 the Chancellor of the Exchequer announced an increase in the main rate of UK corporation tax to 25 per cent for businesses with profits greater than £250,000. Businesses with profits of £50,000 or less will continue to be taxed at 19% with marginal relief for profits up to £250,000. These changes were substantially enacted on 25 May 2021 and will take effect from 1 April 2023.

11. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 November 2020	12,574
Additions	2,723
Disposals	(3,248)
At 31 October 2021	<u>12,049</u>
Depreciation	
At 1 November 2020	6,810
Charge for the year	1,692
Disposals	(1,512)
At 31 October 2021	<u>6,990</u>
Carrying amount	
At 31 October 2021	<u>5,059</u>
At 31 October 2020	<u>5,764</u>

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

12. Investments

	Other unlisted investments £
Cost	
At 1 November 2020	58,946
Additions	200,100
Disposals	(100)
At 31 October 2021	258,946
Impairment	
At 1 November 2020 and 31 October 2021	—
Carrying amount	
At 31 October 2021	258,946
At 31 October 2020	58,946

13. Debtors

	2021 £	2020 £
Trade debtors	24,496	61,915
Deferred tax asset	—	40,027
Prepayments and accrued income	16,992	1,040
Amounts owed by entities which share significant influence with the company	411	—
Amounts owed by entities with which the company is an associate	45,000	45,000
Other debtors	1,300	4,900
	88,199	152,882

The debtors above include the following amounts falling due after more than one year:

	2021 £	2020 £
Amounts owed by entities which share significant influence with the company	45,000	45,000

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

14. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,983	1,149
Accruals and deferred income	8,187	10,787
Corporation tax	7,756	–
Social security and other taxes	5,188	12,012
Director loan accounts	267	–
Amounts owed to entities which share significant influence with the company	45,000	119,000
Amounts owed to entities with which the company is associated	–	15,000
Other creditors	174	720
	<u>68,555</u>	<u>158,668</u>

15. Provisions

	Deferred tax (note 16) £
At 1 November 2020	–
Additions	961
At 31 October 2021	<u>961</u>

16. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021	2020
	£	£
Included in debtors (note 13)	–	40,027
Included in provisions (note 15)	(961)	–
	<u>(961)</u>	<u>40,027</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020
	£	£
Accelerated capital allowances	961	(116)
Unused tax losses	–	(39,911)
	<u>961</u>	<u>(40,027)</u>

17. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £9,404 (2020: £10,493).

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

17. Employee benefits *(continued)*

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. Contributions totalling £174 (2020 £720) were payable to the fund at the statement of financial position date.

18. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	—	19,717

19. 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 third parties and related parties, loans to related parties and investments in ordinary shares.

20. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
Preference Shares shares of £1 each	316,120	316,120	316,120	316,120
	<u>317,120</u>	<u>317,120</u>	<u>317,120</u>	<u>317,120</u>

In the prior year an additional 91,120 of £1 Preference Shares were issued at par and fully paid; 20,000 being issued to a Director and Shareholder and 71,120 issued to Amberside Advisors Ltd, an entity which has significant influence over Amberside Capital Ltd. Preference shares accrue no interest.

21. Analysis of changes in net debt

	At 1 Nov 2020	Cash flows	At 31 Oct 2021
	£	£	£
Cash at bank and in hand	52,396	(21,007)	31,389
Debt due within one year	—	(267)	(267)
	<u>52,396</u>	<u>(21,274)</u>	<u>31,122</u>

Amberside Capital Ltd

Notes to the Financial Statements (continued)

Year ended 31 October 2021

22. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	9,369	9,369
Later than 1 year and not later than 5 years	2,342	11,711
	<u>11,711</u>	<u>21,080</u>

23. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2021			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
David James Lomas	–	302	(302)	–
David James Scrivens	–	1,974	(2,241)	(267)
	<u>–</u>	<u>2,276</u>	<u>(2,543)</u>	<u>(267)</u>

	2020			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
David James Lomas	(72)	946	(874)	–
David James Scrivens	(1,242)	4,970	(3,728)	–
	<u>(1,314)</u>	<u>5,916</u>	<u>(4,602)</u>	<u>–</u>

24. Related party transactions

	2021	2020
	£	£
Balances owed to directors	267	–
Balances owed to an entity by the company over which the entity has significant influence	45,000	119,000
Balances due from an entity with which the company is an associate	45,411	45,935
Balance due from an entity to the company over which the entity has significant influence	9,981	27,428
Services provided to an entity by the company over which the entity has significant influence	222,236	153,587
Services received from an entity to the company over which the entity has significant influence	24,654	23,330
Key management personnel remuneration	254,019	64,875
Preference shares issued at par to a Director	50,000	50,000
Preference shares issued at par to an entity which has significant influence	266,120	266,120

Amberside Capital Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 October 2021

25. Controlling party

The directors believe that there is no ultimate controlling party.