

Registered number: 09690232

**DSAM Partners (London) Ltd**

**Directors' report and financial statements**

**For the year ended 31 December 2021**

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**Company Information**

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<b>Directors</b>	J E Diner S Sales
<b>Registered number</b>	09690232
<b>Registered office</b>	1st Floor 14-15 Conduit Street London W1S 2XJ
<b>Independent auditors</b>	Jeffreys Henry LLP Chartered Accountants & Statutory Auditor 5-7 Cranwood Street London EC1V 9EE
<b>Bankers</b>	Citco Bank Nederland N.V. International Financial Service Centre Dublin 1  HSBC plc Covent Garden London WC2E 8JF

**Strategic report**

**For the year ended 31 December 2021**

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**Introduction**

The directors present the strategic report of DSAM Partners (London) Ltd (the "Company") for the year ended 31 December 2021. The comparative period presented in these financial statements is for the year ended 31 December 2020.

**Review of business and future developments**

The results for the year, and the Company's financial position at the end of the year, are shown on pages 9 to 10.

During the year the decision was taken to wind up the DSAM funds, the principal funds managed by the Company. As at the year end, the majority of assets had been returned to Investors. The Company has restructured significantly post the year end and is considering other opportunities including running as a sole family office.

**Principal risks and uncertainties**

The principal risks and uncertainties affecting the Company relate to the performance of the underlying funds it manages and the impact that poor performance has on the ability to attract and retain investors. The funds advised by the Company are subject to various market, counterparty, operational and regulatory risks that can ultimately have an impact on the Company's business. To the fullest extent possible the Company continues to monitor and improve controls and processes where required to provide the proper infrastructure for managing clients' assets. Other risks and uncertainties relate to the ability to attract and retain key investment executives. The Company is not exposed to any significant price, credit, liquidity or cash flow risk.

**Financial key performance indicators**

Given the nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

**Going concern**

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the 'Business review and future developments' and 'Principal risks and uncertainties' sections of this Strategic Report. The Company is unlikely to generate significant cash flows from its fund management activities for the immediate future, but is confident it will commence new activities in the next twelve months. The directors are confident that the Company has sufficient resources to settle its liabilities in the ordinary course of business and have no reason to believe that material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern. In addition, the directors have considered the impact of Brexit and the Coronavirus and concluded that this is not expected to be significant. Accordingly, the financial statements have been prepared on a going concern basis.

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

**J Diner**

Director

Date: 22 April 2022

**Directors' report**  
**For the year ended 31 December 2021**

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

**Principal activity**

The principal activity of the Company during the year was the provision of investment management services. The Company became authorised and regulated by the Financial Conduct Authority ("FCA") on 22 December 2015.

**Results and dividends**

Total comprehensive income for the year amounted to a loss of \$2,466,320 (2020: profit of \$10,906,514).

The results for the year are set out on pages 9 and 10. No dividends were declared in the year ended 31 December 2021 (year ended 31 December 2020: \$nil).

**Directors**

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

J E Diner  
S Sales

**Political contributions**

During the year the Company made contributions totalling \$34,701 to the Conservative party (year ended 31 December 2020: \$58,837).

**Disclosure of information to auditors**

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

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Post balance sheet events**

Following the decision to wind up the DSAM Funds, the Company has implemented a significant restructure. Most of the employees involved in the management of those DSAM funds were made redundant at the 31 December 2021. A core team remains in place to manage the remaining activities.

**Auditors**

The auditors, Jeffreys Henry 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 by:

**J Diner**  
Director

Date: 22 April 2022

**Directors' responsibilities statement**  
**For the year ended 31 December 2021**

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The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

**Independent auditors' report to the members of DSAM Partners (London) Ltd**

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**Opinion**

We have audited the financial statements of DSAM Partners (London) Ltd (the 'Company') for the year ended 31 December 2021, which comprise the statement of comprehensive income, the statement of financial position, 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 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.

**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.

**Independent auditors' report to the members of DSAM Partners (London) Ltd (continued)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



**Independent auditors' report to the members of DSAM Partners (London) Ltd (continued)**

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**Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations was as follows:

- the senior statutory auditor ensured that the engagement team had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management and from our knowledge and experience of the fund management sector;
- we focused on specific laws and regulations which we consider have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and in particular the requirements of the company in respect to compliance with FCA requirements;
- we assessed the extent of compliance with the laws and regulations through making enquiries of management, inspecting legal costs and respective correspondence.
- Identified laws and regulations were communicated within the audit team and the team remained alert to circumstances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud may occur and addressed the risk of fraud through management bias and override of controls, by:

- making enquiries of management as to whether they considered there was susceptibility to fraud and their knowledge of actual, suspected or alleged fraud;
- performing analytical procedures to identify any unusual or unexpected relationships;
- testing journal entries to identify unusual transactions;
- investigating the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures

which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- inquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisor.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transaction, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and other correspondence, if any.

**Independent auditors' report to the members of DSAM Partners (London) Ltd (continued)**

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Material misstatements that arise due to fraud can be harder to detect than those that arise from error, as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

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

Jon Isaacs (Senior statutory auditor)  
for and on behalf of Jeffreys Henry LLP

Chartered Accountants and Statutory Auditor

Finsgate

5-7 Cranwood Street

London

EC1V 9EE

Date:

22 April 2022

**Statement of comprehensive income**  
**For the year ended 31 December 2021**

	Note	2021 \$	2020 \$
Turnover	4	7,879,614	35,432,867
Administrative expenses		(10,881,966)	(21,308,356)
<b>Operating (loss)/profit</b>	5	(3,002,352)	14,124,511
Interest receivable and similar income	8	2	4,125
Interest payable and expenses	9	(44,723)	(92)
<b>(Loss)/profit before tax</b>		(3,047,073)	14,128,544
Tax on (loss)/profit	10	446,246	(2,862,611)
<b>(Loss)/profit for the financial year</b>		<u>(2,600,827)</u>	<u>11,265,933</u>
Unrealised gain/(loss) on derivatives		134,507	(359,419)
<b>Other comprehensive income for the year</b>		134,507	(359,419)
<b>Total comprehensive income for the year</b>		<u>(2,466,320)</u>	<u>10,906,514</u>

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

The notes on pages 13 to 25 form part of these financial statements.

**Statement of financial position**  
**As at 31 December 2021**

	Note	2021 \$	2020 \$
<b>Fixed assets</b>			
Tangible assets	11	635,071	865,296
<b>Current assets</b>			
Debtors	12	44,955,329	37,160,561
Cash at bank and in hand		1,865,843	198,928
		<u>46,821,172</u>	<u>37,359,489</u>
Creditors: amounts falling due within one year	13	(33,360,452)	(21,662,674)
<b>Net current assets</b>		<u>13,460,720</u>	<u>15,696,815</u>
<b>Net assets</b>		<u><u>14,095,791</u></u>	<u><u>16,562,111</u></u>
<b>Capital and reserves</b>			
Called up share capital	15	2,147,596	2,147,596
Fair value reserve	16	(14,280)	(148,787)
Profit and loss account	16	11,962,475	14,563,302
		<u><u>14,095,791</u></u>	<u><u>16,562,111</u></u>

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

**J Diner**  
Director

Date: 22 April 2022

The notes on pages 13 to 25 form part of these financial statements.

**Statement of changes in equity**  
**For the year ended 31 December 2021**

	Called up share capital \$	Fair value reserve \$	Profit and loss account \$	Total equity \$
At 1 January 2021	2,147,596	(148,787)	14,563,302	16,562,111
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(2,600,827)	(2,600,827)
Unrealised gain on derivatives	-	134,507	-	134,507
<b>Other comprehensive income for the year</b>	-	134,507	-	134,507
<b>Total comprehensive income for the year</b>	-	134,507	(2,600,827)	(2,466,320)
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 December 2021</b>	<u>2,147,596</u>	<u>(14,280)</u>	<u>11,962,475</u>	<u>14,095,791</u>

The notes on pages 13 to 25 form part of these financial statements.

**Statement of changes in equity**  
**For the year ended 31 December 2020**

	Called up share capital \$	Fair value reserve \$	Profit and loss account \$	Total equity \$
At 1 January 2020	2,147,596	210,632	3,297,369	5,655,597
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	11,265,933	11,265,933
Unrealised loss on derivatives	-	(359,419)	-	(359,419)
<b>Other comprehensive income for the year</b>	-	(359,419)	-	(359,419)
<b>Total comprehensive income for the year</b>	-	(359,419)	11,265,933	10,906,514
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 December 2020</b>	<u>2,147,596</u>	<u>(148,787)</u>	<u>14,563,302</u>	<u>16,562,111</u>

The notes on pages 13 to 25 form part of these financial statements.

**Notes to the financial statements**  
**For the year ended 31 December 2021**

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**1. General information**

DSAM Partners (London) Ltd is a company limited by shares, incorporated and domiciled in England and Wales. The address of its registered office is 1st Floor, 14-15 Conduit Street, London, W1S 2XJ.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared on the going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102 ("FRS 102"), The Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of DSAM Capital Partners Ltd as at 31 December 2021 and these financial statements may be obtained from Companies' House.

**2.3 Going concern**

The company has sufficient liquid assets to continue its operations for a period in excess of twelve months from the date of this report. The directors are therefore confident that the Company has sufficient resources to settle its liabilities in the ordinary course of business and have no reason to believe that material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern. In addition, the directors have considered the impact of Brexit and the Coronavirus and concluded that this is not expected to be significant. Accordingly, the financial statements have been prepared on a going concern basis

**Notes to the financial statements**  
**For the year ended 31 December 2021**

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**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue, which is stated net of value added tax, represents fees for investment management services provided during the year. Management fees are recognised on an accruals basis and performance fees are accrued when they crystallise. All turnover in the year arose from continuing activities performed in the United Kingdom.

**2.5 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is USD.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within administrative expenses.

**2.6 Operating leases**

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.



**2. Accounting policies (continued)**

**2.7 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.

**2.8 Interest income**

Interest income is recognised in the statement of comprehensive income using the effective interest method.

**2.9 Finance costs**

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.10 Dividends**

Interim and final equity dividends are recognised when they become legally payable.

**Notes to the financial statements**  
**For the year ended 31 December 2021**

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**2. Accounting policies (continued)**

**2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position, 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 except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. The deferred tax asset will increase or reverse to the statement of comprehensive income as deals originate and complete.

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- Over the lease term
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 4 years straight line
Computer and office equipment	- 3 years straight line
Artwork	- No depreciation

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 the statement of comprehensive income.

**Notes to the financial statements**  
**For the year ended 31 December 2021**

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**2. Accounting policies (continued)**

**2.13 Fixed asset investments**

Investments in unlisted shares, whose market value can be reliably determined, are remeasured to fair value at each statement of financial position date. Gains and losses on remeasurement are recognised in the statement of comprehensive income for the year. Where fair value cannot be reliably determined, such investments are stated at historic cost less impairment.

**2.14 Financial instruments**

*Financial assets*

The Company's financial assets comprise basic financial assets, being trade and other receivables and cash and bank balances.

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

Trade and other receivables are measured at transaction price less any impairment. Any impairment loss is recognised in the statement of comprehensive income.

The impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets are derecognised when contractual rights to the cash flows from the financial asset expire or are settled, or when substantially all the risks and rewards of ownership have been transferred.

*Financial liabilities*

The Company's financial liabilities comprise basic financial liabilities, being trade and other payables. These are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

*Offsetting*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

*Derivative instruments*

The Company uses forward foreign currency contracts to reduce exposure to foreign exchange rates. Derivate financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through other comprehensive income. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of the forward currency contracts is calculated by reference to current forward exchange contracts with similar maturity profiles.

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**Notes to the financial statements**  
**For the year ended 31 December 2021**

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

In applying the Company accounting policies, the directors may be required to make judgments and estimates that could impact the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenue and expenses during the year.

The directors have not been required to use a significant degree of judgment in determining the timing and value of amounts recognised in these financial statements.

The directors are not aware of any significant sources of estimation uncertainty in the preparation of these financial statements.

**4. Turnover**

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

	2021 \$	2020 \$
Investment management services	<u>7,879,614</u>	<u>35,432,867</u>

All turnover arose within the United Kingdom.

**5. Operating (loss)/profit**

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

	2021 \$	2020 \$
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	23,890	23,890
Foreign exchange (gains)/losses	326,703	(217,254)
Operating lease rentals - land and buildings	<u>459,505</u>	<u>550,733</u>

**Notes to the financial statements**  
**For the year ended 31 December 2021**

**6. Employees**

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

	2021 \$	2020 \$
Wages and salaries	5,009,677	14,664,945
Social security costs	777,618	2,065,881
Pension costs	199,111	198,753
	<u>5,986,406</u>	<u>16,929,579</u>

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

	2021 No.	2020 No.
Administration	9	9
Operations	6	6
Investment	13	13
	<u>28</u>	<u>28</u>

Further analysis of wages and salaries were as follows:

	2021 \$	2020 \$
<b>Members of staff</b>		
Fixed salary	3,139,077	2,766,110
Discretionary bonus	236,324	3,387,809
No of beneficiaries	23	23
<b>Senior management</b>		
Fixed salary	1,603,910	1,551,960
Discretionary bonus	30,366	6,959,066
No of beneficiaries	5	5

**Notes to the financial statements**  
**For the year ended 31 December 2021**

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**7. Directors' remuneration**

	2021	2020
	\$	\$
Directors' emoluments	<u>1,080,811</u>	<u>2,571,233</u>

The highest paid director received remuneration of \$589,944 (2020: \$2,203,215).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to \$nil (2020: \$nil).

During the year no director received contributions paid to a defined contribution pension scheme (2020: none).

Senior management of the Company are considered to be key management personnel.

**8. Interest receivable**

	2021	2020
	\$	\$
Other interest receivable	<u>2</u>	<u>4,125</u>

**9. Interest payable and similar expenses**

	2021	2020
	\$	\$
Bank interest payable	29,882	92
Corporate tax interest	14,841	-
	<u>44,723</u>	<u>92</u>

**Notes to the financial statements**  
**For the year ended 31 December 2021**

**10. Taxation**

	2021 \$	2020 \$
<b>Corporation tax</b>		
Current tax on profits for the year	(541,299)	2,541,154
Adjustments in respect of previous periods	84,743	69,894
Foreign exchange differences	10,310	163,534
<b>Total current tax</b>	<u>(446,246)</u>	<u>2,774,582</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	88,029
<b>Total deferred tax</b>	<u>-</u>	<u>88,029</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(446,246)</u>	<u>2,862,611</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2021 \$	2020 \$
(Loss)/profit on ordinary activities before tax	<u>(3,047,073)</u>	<u>14,128,544</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(578,944)	2,684,423
<b>Effects of:</b>		
Expenses not deductible for tax purposes	19,244	(55,240)
Adjustments in respect of prior periods	84,743	69,894
Other timing differences	18,401	-
Foreign exchange differences	10,310	163,534
<b>Total tax charge for the year</b>	<u>(446,246)</u>	<u>2,862,611</u>

No tax has been provided on the unrealised gain/loss on derivatives.

**Notes to the financial statements**  
**For the year ended 31 December 2021**

**11. Tangible fixed assets**

	Leasehold improvements	Motor vehicles	Fixtures and fittings	Computer and office equipment	Artwork	Total
	\$	\$	\$	\$	\$	\$
<b>Cost or valuation</b>						
At 1 January 2021	248,819	113,780	701,217	484,533	410,000	1,958,349
Additions	-	-	861	50,345	-	51,206
Disposals	(170,759)	-	(358,931)	(212,232)	-	(741,922)
Revaluations	-	-	-	-	24,000	24,000
	<u>78,060</u>		<u>343,147</u>			
At 31 December 2021	<u>78,060</u>	<u>113,780</u>	<u>343,147</u>	<u>322,646</u>	<u>434,000</u>	<u>1,291,633</u>
<b>Depreciation</b>						
At 1 January 2021	191,471	113,780	422,997	364,805	-	1,093,053
Charge for the year on owned assets	22,173	-	120,125	93,589	-	235,887
Disposals	(170,759)	-	(289,387)	(212,232)	-	(672,378)
	<u>42,885</u>		<u>253,735</u>			
At 31 December 2021	<u>42,885</u>	<u>113,780</u>	<u>253,735</u>	<u>246,162</u>	<u>-</u>	<u>656,562</u>
<b>Net book value</b>						
At 31 December 2021	<u>35,175</u>	<u>-</u>	<u>89,412</u>	<u>76,484</u>	<u>434,000</u>	<u>635,071</u>
At 31 December 2020	<u>57,348</u>	<u>-</u>	<u>278,220</u>	<u>119,728</u>	<u>410,000</u>	<u>865,296</u>

**12. Debtors**

	2021 \$	2020 \$
Amounts owed by group undertakings	40,814,305	26,267,449
Other debtors	3,873,861	6,161,162
Prepayments and accrued income	173,245	4,638,032
Deferred taxation (see note 14)	10,815	10,815
Financial instruments	83,103	83,103
	<u>44,955,329</u>	<u>37,160,561</u>





**Notes to the financial statements**  
**For the year ended 31 December 2021**

**12. Debtors (continued)**

Included within other debtors is a rent deposit for \$98,894 (2020: \$192,378) which is due after more than one year. Amounts owed by group undertakings and directors loan accounts, included in other debtors, are interest free and repayable on demand.

**13. Creditors: amounts falling due within one year**

	2021 \$	2020 \$
Trade creditors	593,411	3,744,744
Amounts owed to group undertakings	31,343,971	3,566,601
Corporation tax	-	2,453,054
Other taxation and social security	311,635	698,984
Other creditors	872,411	14,975
Accruals and deferred income	224,744	11,035,529
Financial instruments	14,280	148,787
	<u>33,360,452</u>	<u>21,662,674</u>

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

**14. Deferred taxation**

	2021 \$	2020 \$
At beginning of year	10,815	98,844
Charged to the profit or loss	-	(88,029)
<b>At end of year</b>	<u>10,815</u>	<u>10,815</u>

The deferred tax asset is made up as follows:

	2021 \$	2020 \$
Short term timing differences	14,721	14,721
Accelerated capital allowances	(3,906)	(3,906)
	<u>10,815</u>	<u>10,815</u>

**Notes to the financial statements**  
**For the year ended 31 December 2021**

**15. Share capital**

	2021 \$	2020 \$
<b>Authorised, allotted, called up and fully paid</b>		
1,740,876 Ordinary shares of \$1.23363 each	<u>2,147,596</u>	<u>2,147,596</u>

**16. Reserves**

**Fair value reserve**

This reserve is used to record movements in the fair value of derivative financial instruments.

**Profit and loss account**

This reserve includes the Company's profit for the year less any deductions for dividends declared and transfers from other reserve accounts.

**17. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to \$199,111 (2020: \$198,753). Contributions totalling \$14,303 (2020: \$14,975) were payable to the fund at the reporting date and are included within other creditors.

**18. Operating lease commitments**

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 \$
<b>Land and buildings</b>		
Not later than 1 year	335,545	600,880
Later than 1 year and not later than 5 years	131,460	836,293
	<u>467,005</u>	<u>1,437,173</u>

**Notes to the financial statements**  
**For the year ended 31 December 2021**

	2021	2020
	\$	\$
<b>Other</b>		
Not later than 1 year	45,147	23,243
Later than 1 year and not later than 5 years	20,481	33,849
	<u>65,628</u>	<u>57,092</u>

**19. Related party transactions**

DSAM Capital Partners Ltd is the immediate parent of the Company. DSAM Partners (US) LLC is related owing to the Company having the same immediate parent. The Company has taken advantage of the exemption available within FRS 102 not to disclose details of transactions between these two group members.

DSAM Cayman LP is the parent company of DSAM Capital Partners Ltd. During the year the Company had net credit transactions with DSAM Cayman LP of \$27,777,370 (year ended 31 December 2020: \$13,009,842 debit transactions). As at 31 December 2021 the Company owed \$31,343,971 to DSAM Cayman LP (2020: \$3,566,601).

DSAM Cayman Investments Ltd is a related party owing to it being a subsidiary of DSAM Cayman LP. During the year the Company had net debit transactions with DSAM Cayman Investments Ltd of \$1,064,868 (year ended 31 December 2020: \$701,050). As at 31 December 2021 the Company was owed \$11,615,718 by DSAM Cayman Investments Ltd (2020: \$10,550,850).

All balances outstanding as at the 31 December 2021 are unsecured.

**20. Parent undertaking and ultimate controlling party**

The immediate parent undertaking is DSAM Capital Partners Ltd, a limited company registered in England and Wales. DSAM Capital Partners Ltd prepares consolidated financial statements which are available from its registered office address, 1st Floor, 14-15 Conduit Street, London, W1S 2XJ.

The ultimate controlling party is G. Shahar by virtue of his majority ownership of DSAM Cayman Ltd, the General Partner of DSAM Cayman LP, which is the parent company of DSAM Capital Partners Ltd. On 1 January 2022 the ultimate controlling party changed to J. Diner by virtue of his majority ownership of DSAM Capital Partners Ltd.

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