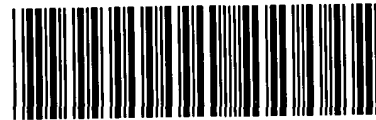


Company Registration No. 09827091 (England and Wales)

AT GLOBAL MARKETS (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

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AT GLOBAL MARKETS (UK) LIMITED

COMPANY INFORMATION

Directors	W Zhang H Li J Courtney
Company number	09827091
Registered office	32 Cornhill London EC3V 3SG
Auditor	Fisher, Sassoon & Marks 43 - 45 Dorset Street London W1U 7NA

AT GLOBAL MARKETS (UK) LIMITED

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AT GLOBAL MARKETS (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 OCTOBER 2021

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

Fair review of the business

The Company is authorised and regulated by Financial Conduct Authority ("FCA"). The Company's FCA Register Number is 076555.

The principal activity of the Company during the year continued to be the provision of online trading facilities in Forex and Contracts for Difference (CFDs) to Retail and Professional clients.

The Firm offers a wide range of online execution financial services, including margined forex and contract for difference (CFD's), along with financial spread betting trading. The Firm offer a range of foreign currencies pairs, indices and commodities.

The Company maintained the execution of the business continuity plan throughout 2021, and staff continue to work remotely due to Covid -19.

As a result of the United Kingdom leaving the European Union and the continued long term impact of Covid-19, the Firm took the decision in 2020, to cease offering services to Retail clients. Retail client activity was wound down during 2021. The firm shifted its focus to the provision of services to Professional institutional clients, via ATFX Connect. This resulted in a significant reduction of costs. The new focus of the business has resulted in lower costs, while volume has increased.

Principal risks and uncertainties

The Company is aware of the risk from the departure of the United Kingdom from the European Union and have planned accordingly.

As a service provider the directors consider that the key financial risk exposures faced by the Company relate to counterparty credit risk, market risk and the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs.

The Company's financial risk management objectives are therefore to minimise the key financial risks through having clearly defined terms of business with counterparties and stringent market risk control over transactions with them, and regular monitoring of cash flow and management accounts to ensure regulatory capital requirements are not breached and the Company maintains adequate working capital.

The principal non financial risks faced by the Company relate to information technology failure. This is mitigated by having appropriate back up systems and procedures and a disaster recovery programme.

The directors determine the Company's business strategy and risk appetite along with designing and implementing a risk management framework that recognises the risks that the business faces. They also determine how those risks may be mitigated and assess on an ongoing basis the arrangements to manage those risks. The directors meet on a regular basis and discuss current projections for profitability and regulatory capital management, business planning and risk management. The directors manage the Company's risks through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FCA principles and rules) with the aim to operate a defined and transparent risk management framework. These policies and procedures are updated as required. The Company follows the standardised approach to market risk and the simplified standard approach to credit risk.

Development and performance

The Company had net assets of £6,560,764 (2020: £6,336,206) which included £4,764,336 of cash balances. Accordingly the Company has a strong balance sheet and is well placed to achieve its long term strategy.

Key performance indicators

Key performance indicators are turnover £2,936,482 (2020 £3,021,618) a slight decrease of 3% and net assets of £6,560,764 (2020 £6,336,206) an increase of 3.5%, the increase in net assets was due to the increase in retained earnings. The company made a profit of £224,558 (2020 Loss £766,416).

AT GLOBAL MARKETS (UK) LIMITED

STRATEGIC REPORT (CONTINUED)

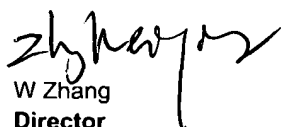
FOR THE YEAR ENDED 31 OCTOBER 2021

Directors' statement of compliance with duty to promote the success of the Company

The directors of the company have acted in a way that they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders, employees and customers as a whole, and in doing so, the directors have considered (amongst other matters):

- the likely consequences of any decision in the long term,
- the interest of the company's employees,
- the need to foster the company's business relationships with customer and others,
- the impact of the company's operations on the community and environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly among shareholders, employees and customers of the company.

On behalf of the board



W Zhang
Director

14 February 2022

AT GLOBAL MARKETS (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2021

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

Principal activities

The principal activity of the company is that of investment services and acting as principle to its clients in foreign exchange and derivatives including Contracts For Difference ("CFD").

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

W Zhang
H Li
J Courtney

Financial instruments

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Credit risk

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Market risk

The company's principal market risk is foreign exchange risk arising from unhedged positions when trading with counterparties. The company has setup a robust risk monitoring system to manage the exposure on a real time basis, which enable the management and risk team to make effective decisions to hedge the positions when required. The system can also allow the company to strictly follow the risk parameters set up by the board.

Post reporting date events

There are no matters to report.

Future developments

The directors are confident about the Company's progress and believe the company is well placed to make further progress during the coming year.

Auditor

The auditor, Fisher, Sassoon & Marks, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

AT GLOBAL MARKETS (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and 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;
- 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board


W Zhang
Director

14 February 2022

AT GLOBAL MARKETS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AT GLOBAL MARKETS (UK) LIMITED

Opinion

We have audited the financial statements of AT Global Markets (UK) Limited (the 'company') for the year ended 31 October 2021 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

AT GLOBAL MARKETS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AT GLOBAL MARKETS (UK) LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 and the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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.

AT GLOBAL MARKETS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AT GLOBAL MARKETS (UK) LIMITED

The extent to which the audit was considered 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.

- the engagement partner ensured that the engagement team collectively 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 commercial knowledge and experience of the financial services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Financial Conduct Authority (FCA), Companies Act 2006, taxation legislation, data protection, anti-bribery, anti-money-laundering, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances 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 might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates as set out in note 2 were indicative of potential bias; and
- investigated 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the FCA and reviewing the company's compliance monitoring procedures and findings.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, 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 legal correspondence, if any. 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 through collusion.

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.

AT GLOBAL MARKETS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AT GLOBAL MARKETS (UK) LIMITED

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.



Jonathan Marks (Senior Statutory Auditor)
For and on behalf of Fisher, Sassoon & Marks

14 February 2022

Chartered Accountants
Statutory Auditor

43 - 45 Dorset Street
London
W1U 7NA

AT GLOBAL MARKETS (UK) LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2021

	Notes	2021 £	2020 £
Turnover	3	2,936,482	3,021,618
Cost of sales		(487,705)	(600,158)
Gross profit		2,448,777	2,421,460
Administrative expenses		(2,231,214)	(3,187,876)
Operating profit/(loss)	4	217,563	(766,416)
Interest receivable and similar income	7	6,995	-
Profit/(loss) before taxation		224,558	(766,416)
Tax on profit/(loss)	8	-	-
Profit/(loss) for the financial year		224,558	(766,416)

The income statement has been prepared on the basis that all operations are continuing operations.

AT GLOBAL MARKETS (UK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 OCTOBER 2021

	2021	2020
	£	£
Profit/(loss) for the year	224,558	(766,416)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>224,558</u>	<u>(766,416)</u>


AT GLOBAL MARKETS (UK) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		57,341		95,157
Investments	10		975		975
			<u>58,316</u>		<u>96,132</u>
Current assets					
Debtors	12	4,532,852		4,952,293	
Cash at bank and in hand		4,764,336		5,775,948	
		<u>9,297,188</u>		<u>10,728,241</u>	
Creditors: amounts falling due within one year	13	(2,794,740)		(4,488,167)	
Net current assets			<u>6,502,448</u>		<u>6,240,074</u>
Net assets			<u><u>6,560,764</u></u>		<u><u>6,336,206</u></u>
Capital and reserves					
Called up share capital	15	8,734,158		8,734,158	
Profit and loss reserves		(2,173,394)		(2,397,952)	
Total equity			<u><u>6,560,764</u></u>		<u><u>6,336,206</u></u>

The financial statements were approved by the board of directors and authorised for issue on 14 February 2022 and are signed on its behalf by:


W Zhang
Director

Company Registration No. 09827091

AT GLOBAL MARKETS (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2021

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 November 2019		4,084,158	(1,631,536)	2,452,622
Year ended 31 October 2020:				
Loss and total comprehensive income for the year		-	(766,416)	(766,416)
Issue of share capital	15	4,650,000	-	4,650,000
Balance at 31 October 2020		8,734,158	(2,397,952)	6,336,206
Year ended 31 October 2021:				
Profit and total comprehensive income for the year		-	224,558	224,558
Balance at 31 October 2021		8,734,158	(2,173,394)	6,560,764

AT GLOBAL MARKETS (UK) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21		(1,018,607)		569,098
Investing activities					
Purchase of tangible fixed assets		-		(20,193)	
Proceeds on disposal of subsidiaries		-		(975)	
Interest received		6,995		-	
Net cash generated from/(used in) investing activities			6,995		(21,168)
Financing activities					
Proceeds from issue of shares		-		4,650,000	
Net cash (used in)/generated from financing activities			-		4,650,000
Net (decrease)/increase in cash and cash equivalents			(1,011,612)		5,197,930
Cash and cash equivalents at beginning of year			5,775,948		578,018
Cash and cash equivalents at end of year			4,764,336		5,775,948

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

Company information

AT Global Markets (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 32 Cornhill, London, EC3V 3SG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents commission income from broking in foreign exchange, precious metals, indices and equity Contract For Differences trades and is recognised on a trade date basis.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20% Straight Line basis
Computer equipment	20% Straight Line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

1 Accounting policies

(Continued)

1.14 Client monies

The Company holds money on behalf of clients in accordance with the client money rules of its regulator. Client monies held in segregated bank and settlement accounts in accordance with regulations and the corresponding liabilities to these clients are not recognised in the Balance Sheet. At 31 October 2021, amounts held by the Company on behalf of clients in accordance with the Client Assets Rules of the Financial Conduct Authority amounted to £344,730 (2020: £3,116,832).

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2021 £	2020 £
Turnover analysed by class of business		
Brokerage services	1,516,017	1,556,422
Other fee income	1,420,465	1,465,196
	<u>2,936,482</u>	<u>3,021,618</u>
	2021 £	2020 £
Other significant revenue		
Interest income	6,995	-
	<u>6,995</u>	<u>-</u>
	2021 £	2020 £
Turnover analysed by geographical market		
U.K.	<u>2,936,482</u>	<u>3,021,618</u>

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

4 Operating profit/(loss)

	2021 £	2020 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	28,046	(8,950)
Fees payable to the company's auditor for the audit of the company's financial statements	15,750	12,000
Depreciation of owned tangible fixed assets	37,816	34,854
Operating lease charges	131,584	97,539

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Management	2	2
Admin/operation	6	10
Sales/Marketing	12	23
Total	20	35

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	1,286,977	2,048,786
Social security costs	162,972	226,953
Pension costs	27,019	37,917
	1,476,968	2,313,656

6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	161,858	122,282
Company pension contributions to defined contribution schemes	4,470	3,488
	166,328	125,770

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

7 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest receivable from group companies	6,995	-

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	6,995	-
--	-------	---

8 Taxation

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit/(loss) before taxation	224,558	(766,416)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	42,666	(145,619)
Tax effect of expenses that are not deductible in determining taxable profit	1,987	6,094
Tax effect of utilisation of tax losses not previously recognised	(51,838)	-
Unutilised tax losses carried forward	-	136,740
Permanent capital allowances in excess of depreciation	-	(3,837)
Depreciation on assets not qualifying for tax allowances	7,185	6,622
Taxation charge for the year	-	-

The Company has estimated losses of £2,127,619 available for carry forward against future trading profits.

No deferred tax liabilities have been recognised in the financial statements as there are no material temporary differences.

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

9 Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Total £
Cost			
At 1 November 2020 and 31 October 2021	106,480	82,597	189,077
Depreciation and impairment			
At 1 November 2020	61,936	31,984	93,920
Depreciation charged in the year	21,413	16,403	37,816
At 31 October 2021	83,349	48,387	131,736
Carrying amount			
At 31 October 2021	23,131	34,210	57,341
At 31 October 2020	44,544	50,613	95,157

10 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	11	975	975

11 Subsidiaries

Details of the company's subsidiaries at 31 October 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
AT Global Markets PL sp. zo.o.	Poland	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
AT Global Markets PL sp. zo.o.	5,490	123

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

12 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors and trading assets	1,461,304	1,621,187
Amounts owed by group undertakings	2,919,685	3,100,310
Other debtors	106,935	184,849
Prepayments and accrued income	44,928	45,947
	<u>4,532,852</u>	<u>4,952,293</u>

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors and trading liabilities	2,459,845	3,974,189
Amounts owed to group undertakings	-	16,990
Taxation and social security	48,171	92,093
Other creditors	229,564	303,002
Accruals and deferred income	57,160	101,893
	<u>2,794,740</u>	<u>4,488,167</u>

14 Retirement benefit schemes

	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>27,019</u>	<u>37,917</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

15 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital issued and fully paid				
Ordinary shares of £1 each	8,734,158	8,734,158	8,734,158	8,734,158

16 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	120,936	120,936
Between two and five years	-	120,936
	<u>120,936</u>	<u>241,872</u>

17 Events after the reporting date

The Company has monitored developments in respect of the UK's exit from the European Union and has concluded that the developments will not have a significant impact on the Company.

The Coronavirus (COVID-19) has developed rapidly in 2021. The financial reporting effects of the COVID-19 outbreak are considered to be non-adjusting post balance sheet events. At this stage, the impact on the Company's business and results is limited.

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>166,328</u>	<u>125,770</u>

Transactions with related parties

During the year the company entered into the following transactions with related parties:

The Company's contract for difference business is brokered with AT Global Markets Intl Ltd, a group company undertaking. The trades are set at arm's length with normal commercial terms and in accordance with FCA's best execution requirements.

As at the year end, the parent company owed to the Company fees amount to £619,685 (2020 £800,310) and a short term loan of £2,300,000.

AT GLOBAL MARKETS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

19 Directors' transactions

At the year end, the Company owed the director, Mr. H Li £nil (2020 £71,838), the loan is interest free, unsecured and repayable on demand.

20 Ultimate controlling party

The parent company undertaking of the Company is AT Capital Group Limited, a company incorporated in Cayman Islands. No consolidated accounts were prepared by the parent company.

The ultimate controlling party is Mr. H Li by virtue of his shareholding in the parent company.

21 Cash (absorbed by)/generated from operations

	2021 £	2020 £
Profit/(loss) for the year after tax	224,558	(766,416)
Adjustments for:		
Investment income	(6,995)	-
Depreciation and impairment of tangible fixed assets	37,816	34,854
Movements in working capital:		
Decrease/(increase) in debtors	419,441	(2,485,628)
(Decrease)/increase in creditors	(1,693,427)	3,786,288
Cash (absorbed by)/generated from operations	(1,018,607)	569,098

22 Analysis of changes in net funds

	1 November 2020 £	Cash flows £	31 October 2021 £
Cash at bank and in hand	5,775,948	(1,011,612)	4,764,336

AT Global Markets (UK) Limited

“Pillar 3” Disclosure

In accordance with

Part Eight of the Capital Requirements Regulation

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2. Overview

2.1 Introduction

AT Global Markets (UK) Limited is an investment firm authorised and regulated in the United Kingdom by the Financial conduct Authority.

As a MiFID 2 investment firm, AT Global Markets was subject to the United Kingdom's Capital Requirements Regulation until 31st December 2021. From 1st January 2022, this regulation was replaced by the FCA's MiFIDPRU rules ('The Rules'). Both sets of rules are based upon three regulatory 'pillars'.

Pillar One imposes a minimum capital requirement which is determined according to the nature and scale of the risks to which a firm is exposed in the course of its business.

Pillar Two provides for an evaluation by a firm and its regulator of any additional capital that should be held in addition to the Pillar One minimum

Pillar Three seeks to establish market discipline through the disclosure of core information about a firm's capital position.

The rules governing the Pillar Three disclosure were set out in part eight of the Capital Requirements Regulation. They are now set out in MiFIDPRU 8 in the FCA's Handbook of Rules and Guidance. MiFIDPRU TP 12 sets out transitional provisions governing which disclosure requirements apply at different points in time during 2022.

AT Global Markets (UK) Limited discloses information under these where it is relevant to the company's business unless it is considered by the Board of Directors to be proprietary or Confidential information. Where information is not disclosed for this reason we will make reference to that fact.

Quantitative information shows the position of the firm as at 31st October 2021.

2.2 Scope and Frequency of Disclosures

AT Global Markets (UK) Limited is regulated by the Financial Conduct Authority as a 'solo' entity. This disclosure relates only to that company.

In accordance with MiFIDPRU 8.1.10R, these disclosures are published at the same time as the Company's statutory accounts.

The Company operates as broker/dealer of Forex & Contracts for Differences.

The Company undertakes a full review of its Internal Capital Adequacy and Risk Assessment (ICAAP) at least once per year. The Internal Capital & Risk Assessment (ICARA) replaces the ICAAP.

This document has been prepared solely to meet the legal requirements of the Rules and must not be relied upon in making any judgement about the Company.

The Company uses only the standard methods provided under the Capital Requirements Regulation and the Rules. It does not have approval to use internal models for the purpose of measuring and allocating capital to credit or market risk. Consequently, this document does not contain any disclosures relating to the use of internal models.

This report has been prepared to coincide with the publication of the Firm's audited financial statement. All figures reflect the position of the firm at that date as shown in the audited financial statements for the year ended 31st October 2021

3. Risk Management

AT Global Markets (UK) Limited has an established risk management framework through which the Board of Directors identify and manage the risks to which the Company is exposed.

The risk management framework forms an integral part of the overall internal capital adequacy assessment process,

Prior to Brexit, the Company was the European hub for the ATFX group.

Many of the Company's customers were based in the European Union. As part of the Company's preparations for Brexit, these were transferred to an affiliate in the EU.

The Company is now primarily focussed on serving wholesale clients.

The Firm continues to internalise some of its client flow with a view to optimising its hedging costs.

Broker/dealers operating within the CFD sector are generally exposed to market risk and credit risk.

Credit risk is addressed by the collection of initial and variation margin from clients, and through an appropriate due diligence process when selecting hedging counterparties. The Directors therefore believe that the most significant risk facing the Firm in the foreseeable future will be market risk.

Market risk arises on mismatches between internalised transactions and as a result of holding operating balances in currencies other than its currency of account.

The Firm seeks to manage the market risk arising on internalised transactions by diversifying its portfolio of exposures. Where unacceptable concentrations of risk arise, or where client transactions exceed the Firm's risk appetite, exposures are hedged in the underlying market.

The Board of Directors has determined that the overall benefit of holding assets in the currencies required for operational reasons outweighs the risk of mark to market variations in their value. Accordingly it has determined that no further mitigation of this risk is appropriate.

4. Capital Resources and requirements

4.1 Total Capital Resources

Position at 31 st October	Section Ref	2021 £ 000s
Shareholders equity per audited accounts		6,560
Illiquid Assets deducted		1,820
Common Equity Tier 1 Capital		4,740
Subordinated Loan		221
Tier 2 Capital		221
Total Own Funds		4,961
Risk weighted credit and counterparty exposures		1,697
Total risk exposure for market risk		8,793
Total risk exposure for operational risk		2,620
Total Risk Exposure Amount		13,110
CET1 Capital Ratio (minimum 4.5%)		36.1%
T1 Capital Ratio (minimum 6%)		36.1%
Total Capital Ratio (minimum 8%)		37.8%
Capital Headroom		3,912

4.1.1 Common Equity Tier 1 Capital ('CET1')

CET1 Capital comprises equity share capital, share premium and associated reserves.

The Capital Requirement Regulations prescribe certain items that must be deducted from CET1 capital. The Company had a significant regulatory capital excess. It has invested part of this excess, for the time being, in assets not directly related to the operation of the business and has deducted these assets from its CET 1 capital.

4.1.2 Tier 2 Capital

The Firm has a subordinated loan from its shareholder. This is denominated in USD and is shown in the accounts, and included in the Firm's Own Funds, at the GBP equivalent amount.

4.1.3 Other Capital Items

The Capital Requirement Regulations allow for a number of other items to be treated as Capital. None of these apply to the Company.

4.2 Capital Adequacy and Minimum Requirements

4.2.1 Internal Capital Adequacy Assessment Process

The Company undertakes an internal assessment of its capital requirements at least annually. Additional assessments are undertaken if, in the opinion of the board of Directors, the circumstances of the Company have changed, or are likely to change, materially since the most recent assessment.

Outside of the review process, the ICAAP is monitored by the Board of Directors on an ongoing basis as part of the Company's business-as-normal risk management process.

4.2.2 Pillar One Minimum Requirements

In accordance with the Capital Requirement Regulations, the Company is required to maintain a minimum:

- Common Equity Tier 1 Capital Ratio of 4.5%
- Tier 1 Capital Ratio of 6%
- Total Capital Ratio of 8%

4.2.3 Regulatory Capital Buffers

Because the Company meets the definition of a 'Small and Medium Sized Enterprise' ('SME'), it is exempt from the Capital Conservation Buffer and the Countercyclical Buffer. The Company is not subject to any buffers that require it to hold additional capital in excess of its Pillar One minima.

5. Risk Disclosures

5.1 Credit Risk

The table in section 4.1 above shows the total risk weighted exposure amounts for credit and counterparty risks.

Credit risk is calculated on non trading book items such as cash in the Company's bank account and fixed assets.

Counterparty risk arises on trading book items such as derivatives contracts.

5.1.1 Credit Exposures

The following analyses the total amount of exposures in £000s, after accounting offsets and after allowing for margin deposits.

Exposure Class	Trading Book	Non Trading Book	Total
Government		20	68
Institutions	2,090	5,137	7,227
Corporate		133	133
Retail	0		0
Other Assets		119	119

The company does not treat client money accounts under trust arrangements as credit exposures because they do not belong to the Firm.

5.1.2 Geographical distribution of credit exposures

The Company's credit exposures are substantially located in the UK with the exception of amounts deposited with overseas payment services business to facilitate margin deposits by overseas clients. These are categorised within 'Corporate' in the table above.

5.1.3 Credit Exposures by maturity

All of the Company's credit exposures represent current items with the exception of Fixed Assets categorised within Other Items in the table above.

5.2 Market Risk Capital Requirements

5.2.1 Market Risk Exposures

The following analyses the net exposures in £000s

Exposure Class	Trading Book	Non Trading Book	Net
FX	6,068	5,388	8,747
Equities/Indices	28		28
Commodities	18		18

There is some offset between the trading book and non-trading book FX exposures.

5.3 Operational Risk

The Pillar One operational risk requirement is calculated using the Basic Indicator Approach set out in Article 315 of the Capital Requirements Regulation.

5.4 Credit Valuation Adjustment

Where a firm deals in OTC derivatives, the Capital Requirements Regulation requires that they calculate a 'Credit Valuation Adjustment' on any open positions.

The amount of this capital requirement is a function of several factors including the primary risk exposure amount on the open trades.

5.5 Interest Rate Risk Outside the Trading Book

The Company has analysed the potential for an adverse impact on its future cash flows and profits arising from an adverse move in interest rates.

Because the Company holds significant cash deposits and does not pay interest to clients on their margin deposits, any upward move in interest rates should be beneficial to the Company.

In the normal course of events, a downward move in interest rates would be detrimental to the Company's cash flow and profits. However, because interest rates are currently low, the Board of Directors does not currently believe that any such impact could be material to the Company.