

DIANA CAPITAL UK LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	324	392
Tangible assets	5	18,415	10,257
Investments	6	392,070,190	317,133,637
		<u>392,088,929</u>	<u>317,144,286</u>
Current assets			
Debtors: amounts falling due within one year	7	2,386,731	690,864
Cash at bank and in hand	8	17,353,590	9,969,129
		<u>19,740,321</u>	<u>10,659,993</u>
Creditors: amounts falling due within one year	9	(49,389,635)	(47,346,068)
Net current liabilities		<u>(29,649,314)</u>	<u>(36,686,075)</u>
Total assets less current liabilities		<u>362,439,615</u>	<u>280,458,211</u>
Creditors: amounts falling due after more than one year	10	(15,369,976)	(14,623,368)
Net assets		<u><u>347,069,639</u></u>	<u><u>265,834,843</u></u>
Capital and reserves			
Called up share capital	12	1,000,001	1,000,001
Share premium account		165,755,930	165,755,930
Profit and loss account		180,313,708	99,078,912
		<u><u>347,069,639</u></u>	<u><u>265,834,843</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

Alexander Fellowes
Director

Date: 6 December 2022

The notes on pages 3 to 12 form part of these financial statements.

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

1. General information

Diana Capital UK Limited is a private company limited by shares incorporated and registered in England and Wales. The company's registered office is 21 Cork Street, London, W1S 3LZ.

The company's principal activity is the management of investment funds.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in pound sterling, the functional currency, rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Going concern

At 31 December 2021, Diana Capital UK Limited had net current liabilities of £29,649,314 (2020: £36,686,075). The company's ultimate parent entity has confirmed their ability and willingness to support the company financially for at least twelve months from the date of signing the accounts. The going concern basis is therefore considered by the directors to be appropriate.

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.4 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.

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

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	33%	Straight line
Office equipment	-	33%	Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

2.8 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.

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an

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

2. Accounting policies (continued)

2.8 Financial instruments (continued)

out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.9 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.11 Finance costs

Finance costs are charged to profit or loss 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.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.13 Interest income

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

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

2. Accounting policies (continued)

2.14 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2020 - 3).

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

4. Intangible assets

	Website £
Cost	
At 1 January 2021	675
At 31 December 2021	<u>675</u>
Amortisation	
At 1 January 2021	283
Charge for the year on owned assets	68
At 31 December 2021	<u>351</u>
Net book value	
At 31 December 2021	<u>324</u>
At 31 December 2020	<u>392</u>

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

5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 January 2021	120,522	59,505	180,027
Additions	-	17,332	17,332
Disposals	-	(1,927)	(1,927)
At 31 December 2021	120,522	74,910	195,432
Depreciation			
At 1 January 2021	115,992	53,778	169,770
Charge for the year on owned assets	4,530	3,847	8,377
Disposals	-	(1,130)	(1,130)
At 31 December 2021	120,522	56,495	177,017
Net book value			
At 31 December 2021	-	18,415	18,415
At 31 December 2020	4,530	5,727	10,257

6. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2021	18,563,418	298,570,219	317,133,637
Additions	-	75,279,518	75,279,518
Disposals	(20,379,086)	(31,232,681)	(51,611,767)
Revaluations	1,815,668	49,453,134	51,268,802
At 31 December 2021	-	392,070,190	392,070,190

Listed investments are held at open market value.

Unlisted investments are held at market value based on a report provided by a third party expert.

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

7. Debtors

	2021 £	2020 £
Other debtors	2,343,484	640,438
Prepayments	43,247	50,426
	<u>2,386,731</u>	<u>690,864</u>

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	17,353,590	9,969,129
Less: bank overdrafts	(35,373)	-
	<u>17,318,217</u>	<u>9,969,129</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	35,373	-
Trade creditors	110,294	12,573
Amounts owed to group undertakings	42,006,458	45,509,992
Corporation tax	7,109,927	1,704,311
Other taxation and social security	27,963	14,549
Other creditors	12,937	13,089
Accruals and deferred income	86,683	91,554
	<u>49,389,635</u>	<u>47,346,068</u>

10. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	15,369,976	14,623,368
	<u>15,369,976</u>	<u>14,623,368</u>

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

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due 1-2 years		
Bank loans	<u>15,369,976</u>	<u>14,623,368</u>

The bank loans represent a credit line agreement held with Banque Pictet & Cie for \$6,000,000 and €13,000,000 (2020: \$4,000,000 and €13,000,000). These credit lines are subject to annual interest rates, fixed at the 'Pictet prime rate' plus a margin, which is determined by the Bank at its discretion on the basis of interbank market conditions and the Bank's financing cost.

Both credit lines were extended in the year and are due to mature in January 2023. Security is covered by a wider relationship held by the ultimate beneficial owners with the Bank. There is no such security in place where Diana Capital UK Limited are concerned.

12. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1,000,001 (2020 - 1,000,001) Ordinary shares shares of £1.00 each	<u>1,000,001</u>	<u>1,000,001</u>

13. Capital commitments

At 31 December 2021, Diana Capital UK Limited had unfunded capital commitments of £114,189,246 (2020: £109,728,450) in relation to funds where monies have been committed but not yet called up. This is payable on demand to the associated fund once notice has been received.

NOTES TO THE FINANCIAL STATEMENTS
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14. Commitments under operating leases

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

	2021 £	2020 £
Not later than 1 year	77,400	124,726
Later than 1 year and not later than 5 years	335,400	498,902
Later than 5 years	-	31,181
	<u>412,800</u>	<u>654,809</u>

The total expense recognised in relation to the above lease was £78,623 (2020: £137,294).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.