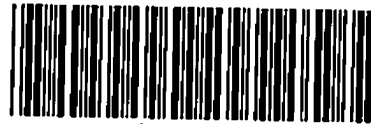


# Financial Statements

## Advanced Markets UK Limited

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For the Year Ended 31 December 2021



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JNI 23/09/2022 #7  
COMPANIES HOUSE

Registered number: 10671764

## Company Information

<b>Directors</b>	Anthony Peter Brocco Geoffrey Redmond Gooch
<b>Company secretary</b>	Geoffrey Redmond Gooch
<b>Registered number</b>	10671764
<b>Registered office</b>	10 John Street London United Kingdom WC1N 2EB
<b>Independent auditor</b>	Grant Thornton (NI) LLP Chartered Accountants & Statutory Auditors 12 - 15 Donegall Square West Belfast BT1 6JH
<b>Bankers</b>	Standard Chartered Bank 1 Basinghall Avenue London United Kingdom  Barclays Bank PLC PO Box 299 Birmingham B1 3PF
<b>Solicitors</b>	Oury Clarke 10 John Street London WC1N 2EB

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# Strategic Report

For the Year Ended 31 December 2021

## Introduction

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

## Business review

The results for the period were in line with the expectations of the directors. The combination of changes in regulation and historical lows in the volatility of the markets slowed the initial growth pattern that they were expecting. However, their long term commitment remains. Fiscal year 2022 has started well and the directors continue to expect positive returns moving forward.

## Principal activity

The principal activity of the company during the year was foreign currency trade operations.

## Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the company to be financial risks.

The company's operations exposes it to a variety of financial risks that includes foreign exchange risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarized below: The company does not hold any market risk as it operates strictly in an agency relationship model. Any risks associated with liquidity or foreign exchange, due to market movement are directly proportional to clients positions and equity. In this model a trade does not exist against the company's clients unless it has been already covered with one of the company's counterparties. Therefore, the company never has a position of their own in the market.

### Foreign exchange risk

Foreign exchange risk is negligible as the company does not take or hold any positions in the market.

### Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. The company policy throughout the year has been to ensure continuity of funding by matching the source of funds to the intended use of those funds. Short-term flexibility is achieved through the company's cash reserves. The company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage liquidity and other financial risk. All key financial figures are monitored on an ongoing basis.

## Financial key performance indicators

We consider that our key performance indicators are those that communicate the financial performance and strength of the company, being turnover and net profit. These are the key performance indicators that are most effective in assessing the progress against our objectives and strategy and measure the performance of the entity.

	2021	2020
	\$	\$
Turnover	1,296,600	1,148,386
Net profit/(loss)	10,330	(111,367)

**Advanced Markets (UK) Limited**

## **Strategic Report (continued)**

**For the Year Ended 31 December 2021**

### **Other key performance indicators**

The directors do not consider any non-financial key performance indicators to be appropriate.

This report was approved by the board on 27 April 2022 and signed on its behalf.



**Geoffrey Redmond Gooch**  
Director

## **Directors' Report**

**For the Year Ended 31 December 2021**

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

### **Directors' responsibilities statement**

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;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

### **Results and dividends**

The profit for the year, after taxation, amounted to \$10,330 (2020 - loss \$111,367).

The directors do not recommend the payment of a final dividend (2020 - \$Nil)

### **Directors**

The directors who served during the year were:

Farmiena Baksh (resigned 22 February 2022)  
Anthony Peter Brocco  
Natallia Hunik (resigned 23 November 2021)  
Geoffrey Redmond Gooch

## Directors' Report (continued)

For the Year Ended 31 December 2021

### Future developments

The entity plans to continue its present activities and ongoing growth strategies.

### Matters covered in the Strategic Report

Under Schedule 7.1A of "Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008" the company has elected to disclose the following directors report information in the strategic report:

- Business review;
- Principal activity; and
- Principal risks and uncertainties

### Disclosure of information to auditor

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

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

### Post balance sheet events

Apart from the ongoing monitoring of the COVID-19 pandemic as referred to below there are no post balance sheet events requiring disclosure.

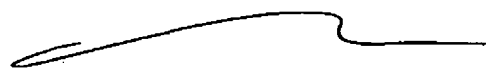
### Impact of COVID-19

On the 11th of March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic, which is currently ongoing. Whilst it has not had a detrimental impact on the business, management is closely monitoring the evolution of this pandemic, including how it may affect the company, its staff, the economy and the general population. Any long term future financial impacts of these events cannot be determined by management at this time as the directors note that this is a dynamic situation with continuous uncertainties surrounding the duration of the pandemic and disruptions to operations. However, trading levels and working capital remains strong, and thus, management are confident that the company is well placed to withstand potential future challenges in this context.

### Auditor

The auditor, Grant Thornton (NI) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 27 April 2022 and signed on its behalf.



Geoffrey Redmond Gooch  
Director

## Independent Auditor's Report to the Members of Advanced Markets (UK) Limited

### Opinion

We have audited the financial statements of Advanced Markets (UK) Limited, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity for the financial year ended 31 December 2021, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Advanced Markets (UK) Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance and cash flows for the financial year then ended; 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 'Responsibilities of the auditor 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, namely the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances of the entity. 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 the date 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 Auditor's Report to the Members of Advanced Markets (UK) Limited (continued)

### **Other information**

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon, including the Directors' Report and the Strategic Report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Directors' Report and the Strategic 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 we have obtained in the course of the audit, we have not identified material misstatements in the Directors' Report and the Strategic 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.

## Independent Auditor's Report to the Members of Advanced Markets (UK) Limited (continued)

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 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, management is 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 management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Independent Auditor's Report to the Members of Advanced Markets (UK) Limited (continued)

### **Responsibilities of the auditor for the audit of the financial statements**

The objectives of an auditor 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 their 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.

A further description of an auditor's 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 auditor's report.

### **Explanation as to what extent 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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Data Protection laws and Employment Laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and applicable tax laws. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgments and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements.

## Independent Auditor's Report to the Members of Advanced Markets (UK) Limited (continued)

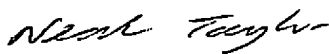
In response to these principal risks, our audit procedures included but were not limited to:

- inquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the company's regulatory and legal correspondence and review of minutes of the board of directors meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgments made by management in their significant accounting estimates, including estimating an allowance for the impairment of receivables; and
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



Neal Taylor (Senior Statutory Auditor)

for and on behalf of

**Grant Thornton (NI) LLP**

Chartered Accountants

Statutory Auditors

Belfast

27<sup>th</sup> April 2022

## Statement of Comprehensive Income

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Turnover	4	1,296,600	1,148,386
<b>Gross profit</b>		<u>1,296,600</u>	<u>1,148,386</u>
Administrative expenses		(1,316,550)	(1,284,873)
Other operating income	5	<u>49,850</u>	<u>-</u>
<b>Operating profit/(loss)</b>	6	29,900	(136,487)
Interest receivable and similar income	10	5,280	25,120
Interest payable and similar expenses	11	<u>(24,850)</u>	<u>-</u>
<b>Profit/(loss) before tax</b>		<u>10,330</u>	<u>(111,367)</u>
<b>Profit/(loss) for the financial year</b>		<u><u>10,330</u></u>	<u><u>(111,367)</u></u>

There was no other comprehensive income for 2021 (2020:\$NIL).

All amounts relate to continuing operations.

The notes on pages 15 to 25 form part of these financial statements.

Advanced Markets (UK) Limited  
Registered number:10671764

## Balance Sheet

As at 31 December 2021

	Note	2021 \$	2020 \$
<b>Fixed assets</b>			
Tangible assets	13	1,080	-
Investments	14	22,210	-
		<u>23,290</u>	<u>-</u>
<b>Current assets</b>			
Deposits held with counterparty brokers	17	2,368,982	18,633,235
Debtors: amounts falling due within one year	15	11,351,568	45,707
Cash at bank and in hand	16	8,493,040	6,221,008
		<u>22,213,590</u>	<u>24,899,950</u>
Creditors: amounts falling due within one year	18	(21,760,451)	(24,433,851)
<b>Net current assets</b>		<u>453,139</u>	<u>466,099</u>
<b>Total assets less current liabilities</b>		<u>476,429</u>	<u>466,099</u>
<b>Net assets</b>		<u><u>476,429</u></u>	<u><u>466,099</u></u>
<b>Capital and reserves</b>			
Called up share capital	19	4	4
Share premium account	20	1,309,892	1,309,892
Profit and loss account	20	(833,467)	(843,797)
<b>Shareholders' funds</b>		<u><u>476,429</u></u>	<u><u>466,099</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 April 2022.

  
Geoffrey Redmond Gooch  
Director

The notes on pages 15 to 25 form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 31 December 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
As 1 January 2021	4	1,309,892	(843,797)	466,099
Profit for the year	-	-	10,330	10,330
<b>At 31 December 2021</b>	<b>4</b>	<b>1,309,892</b>	<b>(833,467)</b>	<b>476,429</b>

The notes on pages 15 to 25 form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 31 December 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2020	4	1,309,892	(732,430)	577,466
Loss for the year	-	-	(111,367)	(111,367)
<b>At 31 December 2020</b>	<b>4</b>	<b>1,309,892</b>	<b>(843,797)</b>	<b>466,099</b>

The notes on pages 15 to 25 form part of these financial statements.

# Statement of Cash Flows

For the Year Ended 31 December 2021

	2021 \$	2020 \$
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	10,330	(111,367)
<b>Adjustments for:</b>		
Depreciation of tangible assets	270	-
Decrease/(increase) in deposits with counterparty brokers	16,264,253	(13,081,319)
Interest paid	24,850	-
Interest received	(5,280)	(25,120)
(Increase) in debtors	(286,213)	(4,553)
(Increase)/decrease in amounts owed by groups	(11,019,648)	-
(Decrease)/increase in creditors	(1,104,986)	18,295,170
<b>Net cash generated from operating activities</b>	<b>3,883,576</b>	<b>5,072,811</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,350)	-
Purchase of fixed asset investments	(22,210)	-
Interest received	5,280	25,120
<b>Net cash from investing activities</b>	<b>(18,280)</b>	<b>25,120</b>
<b>Cash flows from financing activities</b>		
Loans from group companies repaid	(1,568,389)	(552,159)
Interest paid	(24,850)	-
<b>Net cash used in financing activities</b>	<b>(1,593,239)</b>	<b>(552,159)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,272,057</b>	<b>4,545,772</b>
Cash and cash equivalents at beginning of year	6,220,983	1,675,211
<b>Cash and cash equivalents at the end of year</b>	<b>8,493,040</b>	<b>6,220,983</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	8,493,040	6,221,008
Bank overdrafts	-	(25)
	<b>8,493,040</b>	<b>6,220,983</b>

The notes on pages 15 to 25 form part of these financial statements.



## Analysis of Net Debt

For the Year Ended 31 December 2021

	At 1 January 2021 \$	Cash flows \$	At 31 December 2021 \$
Cash at bank and in hand	6,221,008	2,272,032	8,493,040
Bank overdrafts	(25)	25	-
Debt due within 1 year	(3,233,120)	1,568,389	(1,664,731)
	<u>2,987,863</u>	<u>3,840,446</u>	<u>6,828,309</u>

The notes on pages 15 to 25 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 1. General information

Advanced Markets UK Limited is a private company limited by shares, and incorporated in England. The registered office is 10 John Street, London, WC1N 2EB. The principal activity of the company is foreign currency trade operations.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

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

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

The following principal accounting policies have been applied:

### 2.2 Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

### 2.3 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 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 Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 2. Accounting policies (continued)

### 2.4 Revenue

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

Commission and fees revenue and the related expenses are recognised on a trade-date basis. Gains and losses open foreign currency positions are recognised using closing settlement prices. Interest revenue is recognised as interest earned while cash is being held in certain banking institutions.

### 2.5 Interest income

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

### 2.6 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.

### 2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

### 2.8 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.9 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 2. Accounting policies (continued)

### 2.9 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:

Computer equipment	- 20% Straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

### 2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.11 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.

### 2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

### 2.13 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.

### 2.14 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

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 2. Accounting policies (continued)

### 2.14 Financial instruments (continued)

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 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.

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.

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

Estimates and judgments are required when applying accounting policies. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future, which can involve a high degree of judgment or complexity. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

### *Recoverability of debtors*

Estimates are made in respect of the recoverable value of trade and other debtors. When assessing the level of provisions required, factors including current trading experience, historical experience and the aging profile of debtors are considered.

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 4. Turnover

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

	2021 \$	2020 \$
Rendering of services	1,296,600	1,148,386
	<u>1,296,600</u>	<u>1,148,386</u>

All turnover arose within the United Kingdom.

## 5. Other operating income

	2021 \$	2020 \$
Other operating income	49,850	-
	<u>49,850</u>	<u>-</u>

## 6. Operating profit/(loss)

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

	2021 \$	2020 \$
Exchange differences	-	(839)
	<u>-</u>	<u>(839)</u>

## 7. Auditor's remuneration

	2021 \$	2020 \$
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	27,500	27,500
	<u>27,500</u>	<u>27,500</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 8. Employees

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

	2021 \$	2020 \$
Wages and salaries	509,075	330,202
Social security costs	81,052	40,797
Cost of defined contribution scheme	8,803	2,902
	<u>598,930</u>	<u>373,901</u>

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

	2021 No.	2020 No.
Administrative staff	4	1
Directors	2	1
	<u>6</u>	<u>2</u>

## 9. Directors' remuneration

	2021 \$	2020 \$
Directors' emoluments	220,013	220,957
	<u>220,013</u>	<u>220,957</u>

The highest paid director received remuneration of \$222,013 (2020 - \$220,957).

## 10. Interest receivable

	2021 \$	2020 \$
Other interest receivable	5,280	25,120
	<u>5,280</u>	<u>25,120</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 11. Interest payable and similar expenses

	2021 \$	2020 \$
Other loan interest payable	24,850	-
	<u>24,850</u>	<u>-</u>

## 12. Taxation

	2021 \$	2020 \$
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

### 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% (2020 - 19%). The differences are explained below:

	2021 \$	2020 \$
Profit/(loss) on ordinary activities before tax	10,330	(111,367)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,963	(21,160)
Effects of:		
Utilisation of tax losses	(1,963)	-
Unrelieved tax losses carried forward	-	21,160
Total tax charge for the year	-	-



# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 12. Taxation (continued)

### Factors that may affect future tax charges

The standard rate of UK Corporation Tax is to remain at 19% until 31 March 2023. The Finance Act 2021, which was published on 11 March 2021 and received Royal Assent on 10 June 2021, states that this rate is to be increased from 19% to 25% from 1 April 2023. These proposed changes had not been substantively enacted at the balance sheet date and consequently their effects are not included in these financial statements. In summary, the rate of corporation tax from 1 April 2023 will increase to 25% for companies generating taxable profits of more than £250,000. The current 19% tax rate will continue to apply to 'small' companies with profits less than £50,000, with a 'taper relief rate' for those companies with profits between the new thresholds. Deferred tax assets and liabilities have been recognised using the tax rates applicable for the date the assets and liabilities are expected to reverse.

## 13. Tangible fixed assets

	Computer equipment \$
<b>Cost or valuation</b>	
Additions	1,350
At 31 December 2021	<u>1,350</u>
<b>Depreciation</b>	
Charge for the year on owned assets	270
At 31 December 2021	<u>270</u>
<b>Net book value</b>	
At 31 December 2021	<u>1,080</u>
At 31 December 2020	<u>-</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 14. Fixed asset investments

	Investments in subsidiary companies \$
<b>Cost or valuation</b>	
Additions	22,210
At 31 December 2021	<u>22,210</u>

### Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
AM Support and Consulting Ltd	10 John Street, London, WC1N 2EB	Non -trade	Ordinary	100%

## 15. Debtors

	2021 \$	2020 \$
Trade debtors	15,510	32,040
Amounts owed by group undertakings	11,019,648	-
Other debtors	29,160	13,667
Prepayments and accrued income	287,250	-
	<u>11,351,568</u>	<u>45,707</u>

Amounts due by group undertakings are unsecured, interest free and repayable on demand.

## 16. Cash and cash equivalents

	2021 \$	2020 \$
Cash at bank and in hand	8,493,040	6,221,008
Less: bank overdrafts	-	(25)
	<u>8,493,040</u>	<u>6,220,983</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## 17. Deposits with counterparty brokers

	2021	2020
	\$	\$
Deposits with counterparty brokers	2,368,982	18,633,235
	<u>2,368,982</u>	<u>18,633,235</u>

Deposits with counterparty brokers include cash on deposit and the value of open foreign currency cash contracts held for the benefit of customers and for the company, including gains and losses on open trades.

## 18. Creditors: Amounts falling due within one year

	2021	2020
	\$	\$
Bank overdrafts	-	25
Amounts owed to group undertakings	1,664,731	3,233,120
Proceeds of factored debts	20,005,690	21,108,375
Other creditors	60,480	60,219
Accruals and deferred income	29,550	32,112
	<u>21,760,451</u>	<u>24,433,851</u>

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Corporation tax and other taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

## 19. Share capital

	2021	2020
	\$	\$
Allotted, called up and fully paid		
4 (2020 - 4) Ordinary shares shares of \$1.00 each	<u>4</u>	<u>4</u>

# Notes to the Financial Statements

For the Year Ended 31 December 2021

## **20. Reserves**

### **Called up share capital**

Called up share capital represents the nominal value of shares that have been issued.

### **Share premium account**

Share premium account represents any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

### **Profit and loss account**

This includes all current period retained profits and losses.

## **21. Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to \$8,803 (2020 - \$2,902).

## **22. Related party transactions**

The company has taken advantage of the exemption in FRS102 Section 33 and not disclosed related party transactions that are with its parent company who wholly owns the company.

## **23. Post balance sheet events**

Apart from the ongoing monitoring of the COVID-19 pandemic as referred to in the Directors' report there are no post balance sheet events requiring disclosure.

## **24. Controlling party**

The ultimate parent undertaking is Advanced Market Holdings LLC.