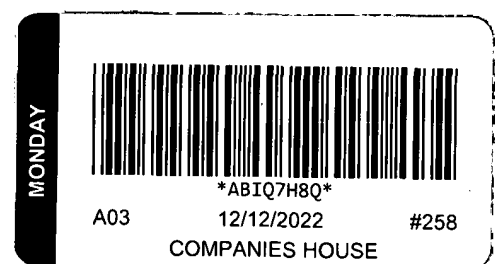


Registered number: OC304696

ATLANTIC EQUITIES LLP

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**



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| ATLANTIC EQUITIES LLP |
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INFORMATION

Designated Members

R Della-Porta
H S Faber
C J Middleton

Members

S K Chesney
J Cordwell
G Dean (appointed 1 October 2021)
J A Heagerty
O Herington
A Hollingworth
S M Hudson
N A Judge
E J Lewis
K Malde
M McNally
L H S Millarg
D Nedialkova
K Oliver
M Panting
R Radbourne
W Ross-Hurst
R Staite
L M Traeger
J Trafford
Atlantic Equities Service Company Limited
Beaver Capital Ltd.
B T Clark (resigned 11 April 2022)
J A Wootton (resigned 12 July 2021)

LLP registered number

OC304696

Registered office

Suite 1, 3rd Floor
11-12 St. James's Square
London
SW1Y 4LB

Independent auditors

BKL Audit LLP
Chartered Accountants
Statutory Auditor
35 Ballards Lane
London
N3 1XW

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| ATLANTIC EQUITIES LLP |
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CONTENTS

| | Page |
|-------------------------------------------------------|---------|
| Members' report | 1 - 2 |
| Independent auditors' report | 3 - 6 |
| Consolidated statement of comprehensive income | 7 |
| Consolidated statement of financial position | 8 - 9 |
| LLP statement of financial position | 10 - 11 |
| Consolidated statement of changes in equity | 12 |
| LLP statement of changes in equity | 13 |
| Consolidated statement of cash flows | 14 |
| Notes to the financial statements | 15 - 31 |

ATLANTIC EQUITIES LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The members present their annual report together with the audited financial statements of Atlantic Equities LLP (the "LLP and the Group") for the year ended 31 March 2022.

Principal activities

The principal activity of the Group is the provision of brokerage and investment research services.

Designated Members

R Della-Porta, H S Faber and C J Middleton were designated members of the LLP and the Group throughout the period.

Policy for members profits, bonuses, drawings, subscriptions and repayment of members' capital

Policies for members' profits, drawings, bonuses, and transfers between equity and debt, contributions (being equity or debt) and repayment of members' contributions are governed by the Limited Liability Partnership Agreement Amended and Restated dated 27 November 2019. In summary, the management board determines the capital contribution to be made by each member and such capital contribution shall be repayable only on winding-up or with the consent of the management board. Any contribution may be made by a member at his discretion by payment to the LLP or by transfer from his current account. The management board determines the monthly drawings and bonuses (collectively "drawings") of each member and can direct repayment where drawings during the year have been in excess of a member's share of profits, as determined by the management board, for any financial year. All sums to be charged against a member are debited against his current account to the extent that this is sufficient for the purpose in which case they shall be debited in reduction of his interest in the capital as the management board may determine.

MIFIDPRU 8 Disclosure

The LLP has documented the disclosures required by the FCA under MIFIDPRU 8. These can be found on the LLP's website www.atlantic-equities.com.

Members' responsibilities statement

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

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members 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, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 LLP and the Group and of the profit or loss of the Group for that period.

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

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

ATLANTIC EQUITIES LLP

**MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

During the year, Berg Kaprow Lewis LLP acted as auditor to the LLP and Group until 31 March 2022.

On 31 March 2022, Berg Kaprow Lewis LLP transferred its audit business to a new LLP, BKL Audit LLP. The members consented to treating the appointment of Berg Kaprow Lewis LLP as extending to BKL Audit LLP with effect from 1 April 2022.

The auditors, BKL Audit LLP, have indicated their willingness to continue in office. The Designated members will propose a motion re-appointing the auditors at a meeting of the members.

This report was approved by the members and signed on their behalf by:



R Della-Porta
Designated member

Date: 15/07/2022

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| ATLANTIC EQUITIES LLP |
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLANTIC EQUITIES LLP

Opinion

We have audited the financial statements of Atlantic Equities LLP (the 'parent LLP') and its subsidiaries (the 'Group') for the year ended 31 March 2022, which comprise the Group Statement of Comprehensive Income, the Group and LLP Statements of Financial Position, the Group Statement of Cash Flows, the Group and LLP Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent LLP's affairs as at 31 March 2022 and of the Group's 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' 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 Group's or the parent LLP'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 members with respect to going concern are described in the relevant sections of this report.

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| ATLANTIC EQUITIES LLP |
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLANTIC EQUITIES LLP (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The members are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent LLP financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Members' responsibilities statement set out on page 1, the members 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 members 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 members are responsible for assessing the Group's and the parent LLP'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 members either intend to liquidate the Group or the parent LLP or to cease operations, or have no realistic alternative but to do so.

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| ATLANTIC EQUITIES LLP |
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLANTIC EQUITIES LLP (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- Enquiring of management around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group or the parent LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Group's and the parent LLP to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in manner that achieves fair presentation.

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| ATLANTIC EQUITIES LLP |
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATLANTIC EQUITIES LLP (CONTINUED)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Landau

David Landau FCA (Senior Statutory Auditor)

for and on behalf of
BKL Audit LLP

Chartered Accountants
Statutory Auditor

London

Date: 15/07/2022

ATLANTIC EQUITIES LLP

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

| | Note | 2022 £ | 2021 £ |
|-----------------------------------------------------------------------------------------|------|-------------------|-------------------|
| Turnover | 4 | 15,240,042 | 17,400,852 |
| Cost of sales | | (612,657) | (1,056,268) |
| Gross profit | | 14,627,385 | 16,344,584 |
| Administrative expenses | | (6,578,558) | (6,986,452) |
| Other operating income | | 39,700 | - |
| Operating profit | 5 | 8,088,527 | 9,358,132 |
| Interest receivable and similar income | | 223 | 1,148 |
| Profit before tax | | 8,088,750 | 9,359,280 |
| Tax on profit | 9 | (104,757) | (98,694) |
| Profit for the year before members' remuneration and profit shares | | 7,983,993 | 9,260,586 |
| Profit for the year before members' remuneration and profit shares | | 7,983,993 | 9,260,586 |
| Members' remuneration charged as an expense | | (7,733,654) | (9,199,314) |
| Profit for the financial year available for discretionary division among members | | 250,339 | 61,272 |

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 15 to 31 form part of these financial statements.

ATLANTIC EQUITIES LLP
REGISTERED NUMBER: OC304696

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|---------------------------------------------------------|-------------|-------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 10 | 52,629 | 105,258 |
| Tangible assets | 11 | 169,179 | 226,841 |
| | | <u>221,808</u> | <u>332,099</u> |
| Current assets | | | |
| Debtors | 13 | 2,626,246 | 2,220,741 |
| Cash at bank and in hand | 14 | 3,560,255 | 4,800,829 |
| | | <u>6,186,501</u> | <u>7,021,570</u> |
| Creditors: Amounts Falling Due Within One Year | 15 | (1,743,854) | (1,678,391) |
| Net current assets | | <u>4,442,647</u> | <u>5,343,179</u> |
| Total assets less current liabilities | | <u>4,664,455</u> | <u>5,675,278</u> |
| Creditors: amounts falling due after more than one year | 16 | (56,242) | (95,945) |
| | | <u>4,608,213</u> | <u>5,579,333</u> |
| Provisions for liabilities | | | |
| Deferred taxation | 17 | (20,716) | (32,868) |
| | | <u>(20,716)</u> | <u>(32,868)</u> |
| Net assets | | <u><u>4,587,497</u></u> | <u><u>5,546,465</u></u> |

ATLANTIC EQUITIES LLP
REGISTERED NUMBER: OC304696

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|-------------------------------------------------------------|------|------------------|------------------|
| Represented by: | | | |
| Loans and other debts due to members within one year | | | |
| Other amounts | 18 | 1,880,073 | 3,094,703 |
| | | <u>1,880,073</u> | <u>3,094,703</u> |
| Members' other interests | | | |
| Members' capital classified as equity | | 1,882,831 | 1,877,508 |
| Other reserves classified as equity | | 824,593 | 574,254 |
| | | <u>2,707,424</u> | <u>2,451,762</u> |
| | | <u>4,587,497</u> | <u>5,546,465</u> |
| Total members' interests | | | |
| Amounts due from members (included in debtors) | 13 | (11) | (11) |
| Loans and other debts due to members | 18 | 1,880,073 | 3,094,703 |
| Members' other interests | | 2,707,424 | 2,451,762 |
| | | <u>4,587,486</u> | <u>5,546,454</u> |

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:

R Della-Porta

christopher middleton

R Della-Porta
Designated member

C J Middleton
Designated member

Date: 15/07/2022

15/07/2022

The notes on pages 15 to 31 form part of these financial statements.

ATLANTIC EQUITIES LLP
REGISTERED NUMBER: OC304696

LLP STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|------------------------------------------------|------|-----------------------------|-----------------------------|
| Fixed assets | | | |
| Investments | 12 | 819,779 | 819,779 |
| | | <u>819,779</u> | <u>819,779</u> |
| Current assets | | | |
| Debtors | 13 | 2,158,659 | 1,898,385 |
| Cash at bank and in hand | 14 | 2,734,187 | 4,187,818 |
| | | <u>4,892,846</u> | <u>6,086,203</u> |
| Creditors: amounts falling due within one year | 15 | (211,531) | (808,494) |
| Net current assets | | <u>4,681,315</u> | <u>5,277,709</u> |
| Total assets less current liabilities | | <u>5,501,094</u> | <u>6,097,488</u> |
| Net assets | | <u><u>5,501,094</u></u> | <u><u>6,097,488</u></u> |

ATLANTIC EQUITIES LLP
REGISTERED NUMBER: OC304696

LLP STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|-------------------------------------------------------------|------|-------------------------|-------------------------|
| Represented by: | | | |
| Loans and other debts due to members within one year | 18 | | |
| Other amounts | | 3,618,263 | 4,219,980 |
| | | <u>3,618,263</u> | <u>4,219,980</u> |
| Members' other interests | | | |
| Members' capital classified as equity | | 1,882,831 | 1,877,508 |
| | | <u>1,882,831</u> | <u>1,877,508</u> |
| | | <u><u>5,501,094</u></u> | <u><u>6,097,488</u></u> |
| Total members' interests | | | |
| Amounts due from members (included in debtors) | 13 | (11) | (11) |
| Loans and other debts due to members | 18 | 3,618,263 | 4,219,980 |
| Members' other interests | | 1,882,831 | 1,877,508 |
| | | <u>5,501,083</u> | <u>6,097,477</u> |

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:

RS

christopher middleton

R Della-Porta
Designated member

C J Middleton
Designated member

Date: 15/07/2022

15/07/2022

The notes on pages 15 to 31 form part of these financial statements.

ATLANTIC EQUITIES LLP

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

| | Members capital (classified as equity) £ | Other reserves £ | Total equity £ |
|----------------------------------------------------------|------------------------------------------------------|------------------------|-------------------|
| At 1 April 2020 | 1,835,084 | 512,982 | 2,348,066 |
| Comprehensive income for the year | | | |
| Profit for year for discretionary division among members | - | 61,272 | 61,272 |
| Total comprehensive income for the year | - | 61,272 | 61,272 |
| Contributions by and distributions to members | | | |
| Capital introduced by members | 42,424 | - | 42,424 |
| Total transactions with members | 42,424 | - | 42,424 |
| At 1 April 2021 | 1,877,508 | 574,254 | 2,451,762 |
| Comprehensive income for the year | | | |
| Profit for year for discretionary division among members | - | 250,339 | 250,339 |
| Total comprehensive income for the year | - | 250,339 | 250,339 |
| Contributions by and distributions to members | | | |
| Capital introduced by members | 42,673 | - | 42,673 |
| Capital amounts repaid to members | (37,350) | - | (37,350) |
| Total transactions with members | 5,323 | - | 5,323 |
| At 31 March 2022 | 1,882,831 | 824,593 | 2,707,424 |

The notes on pages 15 to 31 form part of these financial statements.

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| ATLANTIC EQUITIES LLP |
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**LLP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

| | members' capital (classified as equity) £ | Total equity £ |
|------------------------------------------------------|-------------------------------------------------------|-------------------|
| At 1 April 2020 | 1,835,084 | 1,835,084 |
| Comprehensive income for the year | | |
| | - | - |
| Total comprehensive income for the year | | |
| Contributions by and distributions to members | | |
| Capital introduced by members | 42,424 | 42,424 |
| Total transactions with members | 42,424 | 42,424 |
| At 1 April 2021 | 1,877,508 | 1,877,508 |
| Comprehensive income for the year | | |
| | - | - |
| Total comprehensive income for the year | | |
| Contributions by and distributions to members | | |
| Capital introduced by members | 42,673 | 42,673 |
| Capital amounts repaid to members | (37,350) | (37,350) |
| Total transactions with members | 5,323 | 5,323 |
| At 31 March 2022 | 1,882,831 | 1,882,831 |

The notes on pages 15 to 31 form part of these financial statements.

ATLANTIC EQUITIES LLP

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

| | 2022 £ | 2021 £ |
|---------------------------------------------------------------|--------------------|--------------------|
| Cash flows from operating activities | | |
| Profit for the financial year | 250,339 | 61,272 |
| Adjustments for: | | |
| Members' remuneration charged as an expense | 7,733,654 | 9,199,314 |
| Amortisation of intangible assets | 52,629 | 52,629 |
| Depreciation of tangible assets | 76,870 | 77,741 |
| Interest received | (223) | (1,148) |
| Taxation charge | 104,757 | 98,694 |
| (Increase)/decrease in debtors | (405,505) | 734,699 |
| Increase/(decrease) in creditors | 55,758 | (546,538) |
| Corporation tax (paid) | (146,907) | (32,824) |
| Net cash generated from operating activities | 7,721,372 | 9,643,839 |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (19,208) | (16,108) |
| Interest received | 223 | 1,148 |
| Net cash from investing activities | (18,985) | (14,960) |
| Cash flows from financing activities | | |
| Members' capital contributed | 42,673 | 42,424 |
| Members' capital repaid | (37,350) | 6,740 |
| Drawings paid to members | (8,948,284) | (9,262,652) |
| Net cash used in financing activities | (8,942,961) | (9,213,488) |
| Net (decrease)/increase in cash and cash equivalents | (1,240,574) | 415,391 |
| Cash and cash equivalents at beginning of year | 4,800,829 | 4,385,438 |
| Cash and cash equivalents at the end of year | 3,560,255 | 4,800,829 |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 3,560,255 | 4,800,829 |
| | 3,560,255 | 4,800,829 |

The notes on pages 15 to 31 form part of these financial statements.

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| ATLANTIC EQUITIES LLP |
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. General information

Atlantic Equities LLP ("the LLP") is a Limited Liability Partnership incorporated in the United Kingdom.

The address of its registered office is Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB and its principal place of business is 6th floor, 25 Copthall Avenue, London EC2R 7BP.

The principal activity of the LLP and its subsidiaries, Atlantic Equities Services Company Limited and Atlantic Equities Deutschland GmbH, ("the Group") is the provision of brokerage and investment research services specialising in US equities.

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 ("FRS 102") and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

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

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the LLP and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group undertakings are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Consolidated Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The members have a reasonable expectation, based on their assessment of the LLP's financial position and resources, and those of the Group, that it will continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements, and will be able to meet its debts as they fall due. The members therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

ATLANTIC EQUITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is Sterling.

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.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in the Consolidated Statement of Comprehensive Income.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

Turnover comprises investment research fees and commissions earned on the introduction of business to brokers. The research fees and broker commissions are accounted for in the Consolidated Statement of Comprehensive Income on an accruals basis.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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| ATLANTIC EQUITIES LLP |
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.8 Taxation

The LLP is not subject to taxation. Consequently, neither taxation nor related deferred taxation arising in respect of the LLP is accounted for in these financial statements. Taxable profits and losses are allocated to the members in accordance with the LLP agreement and the liability for any tax is the responsibility of each member. Tax arising on profits and losses of the subsidiary undertakings is recognised in the consolidated income statement.

Current tax, including UK corporation tax and foreign tax, is provided using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date on the excess of taxable income and allowable expenses.

2.9 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 10 years.

2.10 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.

ATLANTIC EQUITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.10 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:

| | |
|------------------------|-----------|
| Leasehold improvements | - 5 years |
| Office equipment | - 3 years |
| Computer equipment | - 3 years |

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated 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 Consolidated 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 Group's cash management.

2.13 Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including debtors and cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 the Consolidated Statement of Comprehensive income.

If there is 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 the Consolidated Statement of Comprehensive

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| ATLANTIC EQUITIES LLP |
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow Group companies, 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 receipts discounted at a market rate of interest.

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

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires. The Group does not hold or issue derivative financial instruments.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements 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 to liability simultaneously.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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| ATLANTIC EQUITIES LLP |
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Turnover

The turnover for the year is attributable to investment research fees and commissions earned on the introduction of business to brokers. These fees are fully derived from the United Kingdom and continental Europe.

5. Operating profit

The operating profit is stated after charging:

| | 2022 £ | 2021 £ |
|-------------------------------|----------------|----------------|
| Exchange differences | 35,905 | 130,881 |
| Other operating lease rentals | 269,980 | 261,240 |
| | <u>269,980</u> | <u>261,240</u> |

6. Auditors' remuneration

| | 2022 £ | 2021 £ |
|----------------------------------------------------------------------------------------------|---------------|---------------|
| Fees payable to the Group's auditor for the audit of the Group's annual financial statements | 21,000 | 20,000 |
| | <u>21,000</u> | <u>20,000</u> |

Fees payable to the Group's auditor in respect of:

| | | |
|------------------------------|---------------|---------------|
| Audit of subsidiaries | 10,500 | 10,000 |
| Taxation compliance services | 5,250 | 4,950 |
| All other assurance services | 3,700 | 3,500 |
| | <u>19,450</u> | <u>18,450</u> |

ATLANTIC EQUITIES LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. Employees

Staff costs were as follows:

| | Group 2022 £ | Group 2021 £ |
|-------------------------------------|-----------------------------|-----------------------------|
| Wages and salaries | 3,063,857 | 3,192,082 |
| Social security costs | 320,843 | 336,231 |
| Cost of defined contribution scheme | 55,416 | 60,694 |
| | <u>3,440,116</u> | <u>3,589,007</u> |

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

| | 2022 No. | 2021 No. |
|-----------------------|---------------------|---------------------|
| Office and management | <u>20</u> | <u>19</u> |

The entity has no employees other than the members, who did not receive any remuneration (2021 - £NIL)

8. Information in relation to members

| | 2022 Number | 2021 Number |
|----------------------------------------------------------------------------------|--------------------------|--------------------------|
| The average number of members during the year was | <u>27</u> | <u>26</u> |
| | 2022 £ | 2021 £ |
| The average member's remuneration during the year was | <u>512,379</u> | <u>605,898</u> |
| Paid under the terms of the LLP agreement | <u>13,834,237</u> | <u>15,753,356</u> |
| | <u>13,834,237</u> | <u>15,753,356</u> |
| The amount of profit attributable to the member with the largest entitlement was | <u>6,100,583</u> | <u>6,554,041</u> |

ATLANTIC EQUITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Taxation

| | 2022 £ | 2021 £ |
|--------------------------------------------------|-----------------|----------------|
| Corporation tax | | |
| Current tax on profits for the year | 116,909 | 105,753 |
| Total current tax | <u>116,909</u> | <u>105,753</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | (12,152) | (7,059) |
| Total deferred tax | <u>(12,152)</u> | <u>(7,059)</u> |
| Taxation on profit on ordinary activities | <u>104,757</u> | <u>98,694</u> |

The LLP is not subject to taxation. Taxable profits and losses allocated to the members in accordance with the LLP agreement and the liability for any tax is the responsibility of each member.

The Group is, however, subject to tax on the profits made by its subsidiaries.

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

| | 2022 £ | 2021 £ |
|------------------------------------------------------------------------------------------------------------|----------------|---------------|
| Profit on ordinary activities before tax | 7,986,378 | 9,359,280 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | 1,517,412 | 1,778,263 |
| Effects of: | | |
| Non-tax deductible amortisation of goodwill and impairment | 10,000 | 10,000 |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 10,507 | 6,270 |
| Foreign tax | 61,909 | 52,031 |
| Taxation assessable directly on members | (1,469,392) | (1,747,870) |
| Other differences leading to an increase (decrease) in the tax charge | (25,679) | - |
| Total tax charge for the year | <u>104,757</u> | <u>98,694</u> |

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| ATLANTIC EQUITIES LLP |
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Taxation (continued)

Factors that may affect future tax charges

The UK Government announced its intention to increase the rate of UK corporation tax from 19% to 25% with effect from 1 April 2023. The increase in the rate of UK corporation tax was enacted in the Finance Act 2021, which received Royal Assent on 10 June 2021.

10. Intangible assets

Group

| | Goodwill £ |
|-------------------------------------|-----------------------|
| Cost | |
| At 1 April 2021 | 526,294 |
| At 31 March 2022 | <u>526,294</u> |
| Amortisation | |
| At 1 April 2021 | 421,036 |
| Charge for the year on owned assets | 52,629 |
| At 31 March 2022 | <u>473,665</u> |
| Net book value | |
| At 31 March 2022 | <u><u>52,629</u></u> |
| At 31 March 2021 | <u><u>105,258</u></u> |

ATLANTIC EQUITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Tangible fixed assets

Group

| | Leasehold improvements £ | Office equipment £ | Computer equipment £ | Total £ |
|-------------------------------------|--------------------------------|--------------------------|----------------------------|------------|
| Cost | | | | |
| At 1 April 2021 | 298,299 | 65,509 | 120,350 | 484,158 |
| Additions | - | 4,447 | 14,761 | 19,208 |
| At 31 March 2022 | 298,299 | 69,956 | 135,111 | 503,366 |
| Depreciation | | | | |
| At 1 April 2021 | 94,461 | 63,651 | 99,205 | 257,317 |
| Charge for the year on owned assets | 59,660 | 1,904 | 15,306 | 76,870 |
| At 31 March 2022 | 154,121 | 65,555 | 114,511 | 334,187 |
| Net book value | | | | |
| At 31 March 2022 | 144,178 | 4,401 | 20,600 | 169,179 |
| At 31 March 2021 | 203,838 | 1,858 | 21,145 | 226,841 |

12. Fixed asset investments

LLP

| | Investments in subsidiary companies £ |
|------------------|---------------------------------------------------|
| Cost | |
| At 1 April 2021 | 819,779 |
| At 31 March 2022 | 819,779 |

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| ATLANTIC EQUITIES LLP |
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

| Name | Registered office | Class of shares | Holding |
|-------------------------------------------|----------------------------------------------------------------|------------------------|----------------|
| Atlantic Equities Service Company Limited | Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB | Ordinary | 100% |
| Atlantic Equities Deutschland GmbH | Bockenheimer Landstrasse 17-19, 60325 Frankfurt | Ordinary | 100% |

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

| Name | Aggregate of share capital and reserves £ | Profit/(Loss) £ |
|-------------------------------------------|------------------------------------------------------|----------------------------|
| Atlantic Equities Service Company Limited | 1,184,803 | 168,051 |
| Atlantic Equities Deutschland GmbH | 406,941 | 149,362 |

13. Debtors

| | Group 2022 £ | Group 2021 £ | LLP 2022 £ | LLP 2021 £ |
|-------------------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|
| Due after more than one year | | | | |
| Other debtors | - | 1,916 | - | - |
| | - | 1,916 | - | - |
| Due within one year | | | | |
| Trade debtors | 495,557 | 247,614 | 459,482 | 213,475 |
| Other debtors | 80,559 | 126,210 | 367 | - |
| Prepayments and accrued income | 2,050,119 | 1,844,990 | 1,698,799 | 1,684,899 |
| Amounts due from members | 11 | 11 | 11 | 11 |
| | 2,626,246 | 2,220,741 | 2,158,659 | 1,898,385 |

ATLANTIC EQUITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Cash and cash equivalents

| | Group 2022 £ | Group 2021 £ | LLP 2022 £ | LLP 2021 £ |
|--------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|
| Cash at bank and in hand | 3,560,255 | 4,800,829 | 2,734,187 | 4,187,818 |
| | 3,560,255 | 4,800,829 | 2,734,187 | 4,187,818 |

Included within cash at bank and in hand is £910,658 (2021: £818,493) held with the clearer through whom the Group trades.

15. Creditors: Amounts falling due within one year

| | Group 2022 £ | Group 2021 £ | LLP 2022 £ | LLP 2021 £ |
|------------------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------|
| Trade creditors | 283,868 | 194,412 | 24,497 | 24,513 |
| Amounts owed to group undertakings | - | - | 134,837 | 482,369 |
| Corporation tax | 141,580 | 171,578 | - | - |
| Other taxation and social security | 251,838 | 231,495 | - | 231,518 |
| Other creditors | 161,333 | 39,692 | - | - |
| Accruals and deferred income | 905,235 | 1,041,214 | 52,197 | 70,094 |
| | 1,743,854 | 1,678,391 | 211,531 | 808,494 |

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

| | Group 2022 £ | Group 2021 £ |
|-----------------|-----------------------------|-----------------------------|
| Other creditors | 56,242 | 95,945 |
| | 56,242 | 95,945 |

ATLANTIC EQUITIES LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17. Deferred taxation

Group

| | 2022 £ | 2021 £ |
|--------------------------------|-----------------------------|-----------------------------|
| At beginning of year | (32,868) | (39,927) |
| Charged to profit or loss | 12,152 | 7,059 |
| At end of year | (20,716) | (32,868) |
| | Group 2022 £ | Group 2021 £ |
| Accelerated capital allowances | (20,716) | (32,868) |
| | (20,716) | (32,868) |

18. Loans and other debts due to members

| | Group 2022 £ | Group 2021 £ | LLP 2022 £ | LLP 2021 £ |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| Other amounts due to members | (1,880,073) | (3,094,703) | (3,618,263) | (4,219,980) |
| | (1,880,073) | (3,094,703) | (3,618,263) | (4,219,980) |

Loans and other debts due to members may be further analysed as follows:

| | Group 2022 £ | Group 2021 £ | LLP 2022 £ | LLP 2021 £ |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
| Falling due within one year | (1,880,073) | (3,094,703) | (3,618,263) | (4,219,980) |
| | (1,880,073) | (3,094,703) | (3,618,263) | (4,219,980) |

Loans and other debts due to members rank equally with unsecured creditors in the event of a winding up of the LLP.

The subsidiary company, Atlantic Equities Service Company Limited, is also a member of the LLP and the balance due from Atlantic Equities Service Company Limited has been excluded on the Group balance sheet.

ATLANTIC EQUITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Reconciliation of members' interests (Group)

| | EQUITY Members' other interests | | | DEBT Loans and other debts due to members less any amounts due from members in debtors | | Total members' interests |
|------------------------------------------------------------------------|--------------------------------------------------|-----------------------|------------------|---------------------------------------------------------------------------------------------------------|-------------------|---------------------------------|
| | Members' capital (classified as equity) | Other reserves | Total | Other amounts | Total | Total |
| | £ | £ | £ | £ | £ | £ |
| Amounts due to members | | | | 3,094,703 | 3,094,703 | |
| Amounts due from members | | | | (11) | (11) | |
| Members' remuneration charged as an expense | - | - | - | 7,733,654 | 7,733,654 | 7,733,654 |
| Profit for the year available for discretionary division among members | - | 250,339 | 250,339 | - | - | 250,339 |
| Members' interests after profit for the year | 1,877,508 | 824,593 | 2,702,101 | 10,828,346 | 10,828,346 | 13,530,447 |
| Amounts introduced by members | 42,673 | - | 42,673 | - | - | 42,673 |
| Repayment of capital | (37,350) | - | (37,350) | - | - | (37,350) |
| Drawings | - | - | - | (8,948,284) | (8,948,284) | (8,948,284) |
| Amounts due to members | | | | 1,880,073 | 1,880,073 | |
| Amounts due from members | | | | (11) | (11) | |
| Balance at 31 March 2022 | 1,882,831 | 824,593 | 2,707,424 | 1,880,062 | 1,880,062 | 4,587,486 |

ATLANTIC EQUITIES LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. Reconciliation of members' interests (LLP)

| | EQUITY Members' other interests | | DEBT Loans and other debts due to members less any amounts due from members in debtors | | Total members' interests |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------|------------------|----------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| | Members' capital (classified as equity) £ | Total £ | Other amounts £ | Total £ | Total £ |
| Amounts due to members | | | 4,219,980 | 4,219,980 | |
| Amounts due from members | | | (11) | (11) | |
| Members' remuneration charged as an expense, including employment and retirement benefit costs | - | - | 13,834,237 | 13,834,237 | 13,834,237 |
| Members' interests after profit for the year | 1,877,508 | 1,877,508 | 18,054,206 | 18,054,206 | 19,931,714 |
| Amounts introduced by members | 42,673 | 42,673 | - | - | 42,673 |
| Repayment of capital | (37,350) | (37,350) | - | - | (37,350) |
| Drawings | - | - | (14,435,954) | (14,435,954) | (14,435,954) |
| Amounts due to members | | | 3,618,263 | 3,618,263 | |
| Amounts due from members | | | (11) | (11) | |
| Balance at 31 March 2022 | 1,882,831 | 1,882,831 | 3,618,252 | 3,618,252 | 5,501,083 |

Loans and other debts due to members rank equally with unsecured creditors in the event of a winding up of the LLP.

Members' capital amounts may only be returned to a member where either a) an amount equal to the amount to be returned is first contributed to the LLP as additional capital by one or more other member; b) the LLP receives regulatory approval to reduce its capital; or c) the LLP is wound up or otherwise dissolved.

20. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £55,416 (2021 - £60,694). Contributions totalling £nil (2021 - £nil) were payable to the fund at the reporting date and are included in creditors.

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| ATLANTIC EQUITIES LLP |
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. Commitments under operating leases

At 31 March 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | Group 2022 £ | <i>Group 2021 £</i> |
|----------------------------------------------|-----------------------------|-----------------------------|
| Not later than 1 year | 285,000 | <i>285,000</i> |
| Later than 1 year and not later than 5 years | 342,000 | <i>627,000</i> |
| | <u>627,000</u> | <i><u>912,000</u></i> |

22. Related party transactions

The Group has taken advantage of the exemption conferred by FRS 102 section 33.1A from the requirement to disclose transactions with other wholly owned group undertakings.

The members of the management board of the LLP were considered to be key management responsible for planning, directing and controlling the activities of the LLP. Transactions with those members and balances as at the year-end were as follows:

| | 2022 £ | 2021 £ |
|-------------------------------------|-------------------------|-------------------------|
| Profits allocated to key management | 3,966,310 | 4,890,958 |
| Amounts withdrawn by key management | 4,744,227 | 4,976,560 |
| Amounts due to key management | <u>1,135,167</u> | <u>1,913,085</u> |

ATLANTIC EQUITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Financial risk management

The Group has exposure to four main areas of risk: foreign exchange risk, credit risk, capital risk and, to a lesser extent, liquidity risk.

Foreign exchange risk

The Group is exposed to currency exchange rate risk due to a significant proportion of its receivables being denominated in US dollars compared to an expense base that is predominantly pound sterling. The net currency exposure is closely monitored and the current policy is to exchange US dollars into pound sterling on receipt or as soon as practicable thereafter, taking into account any US dollar denominated expenses that are due to be paid. The members regularly review the costs and benefits of implementing a currency hedging policy using forward foreign exchange contracts and currency options.

Credit risk

The Group is at risk to the extent that its clients do not pay the research fees and commissions that have been promised or awarded to the Group. This risk is mitigated by regular review of aged debtors and strong on-going client relationships.

Capital risk

There is the risk that the Group has insufficient capital to support its level of operations and absorb unexpected business shocks. The Group is capitalised by members' capital contributions, made in accordance with the terms of the LLP Agreement and defined as equity. No capital may be repaid unless either it is replaced by new capital contributions or the Group obtains the approval of its regulator, the Financial Conduct Authority (the FCA). Members continuously monitor the Group's level of capital against the requirements of the FCA rulebook and the Group was fully compliant during the year. The level of members' capital in the current and the prior year is disclosed in note 18.

Liquidity risk

The objective of the Group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Group expects to meet its financial obligations through operating cash flows. As the Group is consistently in a strong net positive operating cash flow position, it is comfortably able to meet its commitments and obligations as they fall due.