

Alpha Real Property Investment Advisers LLP
Trading as TIME Investments

Report and Financial Statements

Year Ended

31 March 2022

LLP Number OC355196

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Alpha Real Property Investment Advisers LLP

Report and financial statements for the year ended 31 March 2022

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Alpha Real Property Investment Advisers LLP

Members' report for the year ended 31 March 2022

The members present their report together with the audited financial statements for the year ended 31 March 2022.

Principal activity, trading review and future developments

TIME Investments is an investment manager and is the trading name of Alpha Real Property Investment Advisers LLP ("the Partnership" or "TIME"), the intermediary facing division of the Alpha Real Capital LLP group (Alpha), which has funds of over £4 billion under management.

TIME is authorised and regulated by the Financial Conduct Authority (FCA).

TIME has a growing team of circa 100 exceptional employees and specialises in income and estate planning solutions based in the UK. It has funds under management of circa £1.9 billion (as at 31 March 2022) from which it derived annual revenues of £26.6 million (2021: £23.2 million). The profit and loss account is set out on page 8 and shows a profit before members' remuneration of £14.2 million (2021: £11.9 million) an increase of 20% on the prior year. During the year TIME raised over £500 million to invest into its various defensive investment strategies.

TIME:Commercial Long Income, TIME:Social Long Income, TIME:UK Infrastructure Income and TIME Property Long Income and Growth are TIME's open ended, daily priced FCA authorised funds. TIME:Commercial Long Income, with a current Net Asset Value (NAV) of over £350 million, aims to deliver a consistent income with capital growth prospects, by investing in a diverse portfolio of commercial property with long leases (known as long income property). TIME:Social Long Income, with a current NAV of over £150 million, aims to deliver a consistent income with capital growth prospects, by investing in a diversified portfolio of social infrastructure assets. TIME:Commercial Long Income and TIME:Social Long Income benefit from being within the Property Authorised Investment Fund (PAIF) tax regime.

TIME:UK Infrastructure Income is over £70 million in AUM and provides investors with diversification away from traditional equity markets to a lower volatility infrastructure fund with attractive risk-adjusted returns. The fund aims to deliver an income paid quarterly, with capital growth prospects through a portfolio of listed renewable energy, infrastructure, logistics, digital infrastructure, secured lending and social infrastructure companies.

TIME's new hybrid property fund, TIME:Property Long Income & Growth, also a PAIF, was launched in September 2021 and aims to offer shareholders an income return with some capital growth prospects from a portfolio of UK listed real estate securities and directly held long income properties, with a complementary allocation of 10% to securities listed in developed markets, such as the US and Canada.

TIME:Freehold is TIME's original long income fund launched in 1993. It is an FCA authorised open ended, monthly priced fund and is within the PAIF tax regime. It has a current NAV of over £200 million and provides investors with diversified exposure to over 50,000 ground rents.

TIME also manages over £1 billion of funds via TIME:Advance and TIME:CTC, two Business Relief (BR) services and TIME:AIM, an innovative AIM based BR solution that offers investors a professionally managed portfolio of AIM listed shares which are expected to qualify for BR. TIME:CTC is a bespoke corporate BR service that provides Inheritance Tax mitigation to business owners, whilst its sister service TIME:Advance provides a BR service for advised private clients. Both services target a net annual return of between 3% and 4.5% by investing in asset backed businesses with a lower risk profile, including secured property lending and asset financing, renewable infrastructure assets, self-storage, and commercial forestry. TIME's original BR service TIME:CTC has a track record of delivering BR for qualifying investors for over 26 years.

TIME Investments was awarded the winner of 'Best Business Relief Manager' at the Growth Investor Awards in 2021 (unlisted category), 2019 (Listed category) and in 2018 (Non-AIM category). TIME Investments was also awarded the winner of the prestigious 'Best IHT Portfolio Services' category and the winner of Tax-Efficient Group of the year at the Investment Week's Tax Efficiency Awards 2019/20. TIME Investments also won 'Best Investment Service' at the 2020 Investment Life & Pensions Moneyfacts awards and TIME:Commercial Long Income was named the winner in the Property & Real Estate category at the Investment Week's Specialist Investment Awards in both 2019 and 2018. In addition TIME Investments received a 5 star Rating at the Financial Adviser Service Awards 2021 within the investment category.

Alpha Real Property Investment Advisers LLP

Members' report for the year ended 31 March 2022 (*continued*)

Going Concern

The Partnership's long-term strategy remains resilient through volatile domestic and international economic events. TIME and the Alpha group maintain significant cash reserves and has no external borrowings. The Partnership mitigates its financial risks through a process of continual monitoring of forecast earnings and cash flows. Given the nature of its business the members consider that the Partnership has adequate resources to continue in operational existence for the foreseeable future. For this reason, the members continue to adopt the going concern basis in preparing the financial statements.

Principal risks and uncertainties

TIME's revenue is largely derived from the value and performance of the investments that it is managing or administering. Therefore, the principal risk factors facing TIME is the market risk from declining investment values or negative market sentiment in the sectors it manages, which would adversely affect investment into TIME's investment products or result in outflows from its funds and services and which in turn would adversely affect its revenue.

The Partnership focuses its investment policies on providing consistent, stable returns delivered through a defensive investment strategy, investing in high quality assets.

The Partnership Pillar 3 disclosures, as required under Chapter 11 of the Financial Conduct Authority's Prudential Sourcebook for Banks, Building Societies and Investment Firms ("BIPRU"), can be located on TIME Investments' website.

Designated members

The designated members of the Partnership during the year were

Alpha Real Capital LLP
Alpha Real Capital Germany GmbH

Allocation of profits

Any profits are shared among the members as governed by the Limited Liability Partnership Deed (the "Deed") dated 10 February 2011 (as amended from time to time). Members are remunerated solely out of the profits of the Partnership and final allocation of profits to members is made in accordance with the Deed.

Capital

The members may only contribute to the Partnership's capital in accordance with the Deed. No member is entitled to interest on their capital.

Policy for drawings, subscriptions and repayment of members' capital

The Deed governs policies for members' drawings, subscriptions and repayment of members' capital. No drawings or other payments can be made to or on behalf of any members, other than by distribution of profits, without the consent of the members.

Alpha Real Property Investment Advisers LLP

Members' report for the year ended 31 March 2022 (*continued*)

Disclosure of information to auditor

At the date of making this report each of the Partnership's members confirms the following:

- So far as each member is aware there is no relevant information needed by the Partnership's auditor in connection with the preparation of their report of which the Partnership's auditor is unaware; and
- Each member has taken all the steps that he/she or it ought to have taken as a member in order to be made aware of any relevant information needed by the Partnership's auditor in connection with the preparation of its report and to establish that the Partnership's auditor is aware of that information.

Auditor

A resolution to re-appoint BDO LLP as auditor will be proposed at the next member's meeting.

Approved by the members of Alpha Real Property Investment Advisers LLP on 26 July 2022.



Alpha Real Capital LLP

Designated member

[Signed on behalf of Alpha Real Capital LLP by Karl Devon-Lowe (designated member of Alpha Real Capital LLP)]

26 July 2022

Alpha Real Property Investment Advisers LLP

Statement of members' responsibilities for the year ended 31 March 2022

Members' responsibilities

The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulation. The Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008* require the members to prepare financial statements for each financial year. Under these regulations, 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 these regulations, 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 Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

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

Alpha Real Property Investment Advisers LLP

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALPHA REAL PROPERTY INVESTMENT ADVISERS LIMITED LIABILITY PARTNERSHIP

Opinion on the financial statements

In our opinion, the financial statements:

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

We have audited the financial statements of Alpha Real Property Investment Advisers Limited Liability Partnership ("the Limited Liability Partnership") for the year ended 31 March 2022 which comprise the Statement of comprehensive income, statement of financial position, statement of movement in members' interest, statement of cash flows and 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)¹.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Limited Liability Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Limited Liability Partnership'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.

Alpha Real Property Investment Advisers LLP

Independent auditor's report (*continued*)

Other information

The Members are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting as applied to limited liability partnerships

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, 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of Members

As explained more fully in the Statement of Member's Responsibilities, 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 Limited Liability Partnership'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 Limited Liability Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

Alpha Real Property Investment Advisers LLP

Independent auditor's report (*continued*)

We gained an understanding of the legal and regulatory framework applicable to Alpha Real Capital Limited Liability Partnership and the industry in which it operates and considered the risk of acts by the Limited Liability Partnership which would be contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006, and IFRS, and in addition other laws and regulations that may have a material effect on the financial statements including the permissions and supervisory requirements of the Financial Conduct Authority ('FCA').

We focused on laws and regulations that could give rise to a material misstatement in the financial statements.

Our tests included, but were not limited to:

- reviewing the financial statement disclosures and verifying to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Members regarding any known or suspected fraud or breaches of laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- considering the effectiveness of the control environment in monitoring compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership'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 Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Eran Wieder

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Eran Wieder (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
26 July 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Alpha Real Property Investment Advisers LLP

Statement of comprehensive income for the year ended 31 March 2022

| | Note | 2022 £ | 2021 £ |
|---|------|--------------|--------------|
| Turnover | 3 | 26,572,674 | 23,176,994 |
| Cost of sales | | (917,205) | (1,144,423) |
| Administrative expenses | | (11,464,182) | (10,191,371) |
| Operating profit | 4 | 14,191,287 | 11,841,200 |
| Interest receivable | 6 | 2,222 | 34,473 |
| Profit for the financial year before members' remuneration and profit shares | | 14,193,509 | 11,875,673 |
| Members' remuneration charged as an expense | | (14,193,509) | (11,875,673) |
| Result for the financial year available for discretionary division among members | | - | - |

All amounts relate to continuing activities.

There are no items of other comprehensive income.

The notes on pages 12 to 17 form part of these financial statements.

Alpha Real Property Investment Advisers LLP

Statement of financial position as at 31 March 2022

| | Note | 2022 £ | 2021 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 65,160 | 35,680 |
| Investments | 9 | 20,284 | 19,552 |
| | | <u>85,444</u> | <u>55,232</u> |
| Current assets | | | |
| Debtors | 10 | 2,991,972 | 3,116,960 |
| Cash at bank and in hand | | 6,339,873 | 5,048,332 |
| | | <u>9,331,845</u> | <u>8,165,292</u> |
| Creditors: amounts falling due within one year | | | |
| Creditors | 11 | (3,622,323) | (3,454,381) |
| | | <u>5,709,522</u> | <u>4,710,911</u> |
| Net current assets | | | |
| | | <u>5,794,966</u> | <u>4,766,143</u> |
| Net assets attributable to members | | | |
| | | <u>5,794,966</u> | <u>4,766,143</u> |
| Represented by: | | | |
| Loans and other debts due to members' within one year | | | |
| Amounts due to members | | 4,799,966 | 3,771,143 |
| Members' other interests | | | |
| Members' capital classified as equity | | 995,000 | 995,000 |
| | | <u>5,794,966</u> | <u>4,766,143</u> |
| Total members' interests | | | |
| | | <u>5,794,966</u> | <u>4,766,143</u> |
| Total members' interests | | | |
| Amounts due to members | | 4,799,966 | 3,771,143 |
| Members' capital | | 995,000 | 995,000 |
| | | <u>5,794,966</u> | <u>4,766,143</u> |

The financial statements were approved by the members of the Partnership and authorised for issue on 26 July 2022.



Alpha Real Capital LLP

Designated member

[Signed on behalf of Alpha Real Capital LLP by Karl Devon-Lowe (designated member of Alpha Real Capital LLP)]

26 July 2022

The notes on pages 12 to 17 form part of these financial statements.

Alpha Real Property Investment Advisers LLP

Statement of movement in members' interest for the year ended 31 March 2022

| Members' interests | Members' capital (classified as equity) | Amounts attributable to members | Total |
|--|---|---------------------------------------|------------------|
| | £ | £ | £ |
| Balance at 1 April 2020 - Amounts due to members | 995,000 | 2,835,187 | 3,830,187 |
| Members' remuneration charged as an expense | - | 11,875,673 | 11,875,673 |
| Members' interest after profit for the year | 995,000 | 14,710,860 | 15,705,860 |
| Drawings | - | (10,939,717) | (10,939,717) |
| Balance at 31 March 2021 - Amounts due to members | 995,000 | 3,771,143 | 4,766,143 |
| Members' remuneration charged as an expense | - | 14,193,509 | 14,193,509 |
| Members' interest after profit for the year | 995,000 | 17,964,652 | 18,959,652 |
| Drawings | - | (13,164,686) | (13,164,686) |
| Balance at 31 March 2022 - Amounts due to members | 995,000 | 4,799,966 | 5,794,966 |

Members' other interests and other debts rank after unsecured creditors in the event of a winding up.

The notes on pages 12 to 17 form part of these financial statements.

Alpha Real Property Investment Advisers LLP

Statement of cash flows for the year ended 31 March 2022

| | 2022 £ | 2021 £ |
|--|--------------|--------------|
| Cash flows from operating activities | | |
| Profit for the financial year before members' remuneration and profit share | 14,193,509 | 11,875,673 |
| Adjustments for: | | |
| Depreciation of fixed assets | 26,036 | 23,227 |
| Net interest receivable | (2,222) | (34,473) |
| Decrease in debtors | 124,988 | 661,718 |
| Increase/(decrease) in creditors | 167,943 | (326,932) |
| Gain on Investment | (732) | (6,375) |
| Net cash generated from operating activities | 14,509,522 | 12,192,838 |
| Cash flows from investing activities | | |
| Interest received | 2,222 | 34,473 |
| Purchases of tangible assets | (55,516) | (14,566) |
| Net cash from investing activities | (53,294) | 19,907 |
| Cash flows from financing activities | | |
| Members' drawings | (13,164,687) | (10,939,716) |
| Net cash used-in financing activities | (13,164,687) | (10,939,716) |
| Increase in cash | 1,291,541 | 1,273,029 |
| Cash at start of year | 5,048,332 | 3,775,303 |
| Cash at end of year | 6,339,873 | 5,048,332 |

The notes on pages 12 to 17 form part of these financial statements.

Alpha Real Property Investment Advisers LLP

Notes forming part of the financial statements for the year ended 31 March 2022

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued in January 2017. The financial statements are presented in £ sterling, which is the Partnership's functional and presentation currency.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the LLP members to exercise judgment in applying the LLP's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements are disclosed in note 2.

Going concern

The Partnership's long-term strategy remains resilient through volatile domestic and international economic events. TIME and the Alpha group maintain significant cash reserves and has no external borrowings. The Partnership mitigates its financial risks through a process of continual monitoring of forecast earnings and cash flows. Given the nature of its business the members consider that the Partnership has adequate resources to continue in operational existence for the foreseeable future. For this reason, the members continue to adopt the going concern basis in preparing the financial statements.

The following principal accounting policies have been applied:

Turnover

Turnover represents revenue for services net of VAT in the ordinary course of business, and includes management fees, initial fees, dealing fees, performance fee and acquisition fees. Fees earned from the ongoing management and servicing of investments are recognised on an accrual's basis to the extent that it is probable that there will be economic benefit and the income can be reliably measured. Initial, dealing and acquisition fees are deemed to be earned at the investment date. Performance fees are recognised when the fee amount can be reliably estimated and its probable that there will be an economic benefit which is usually at the end of the performance period.

Turnover is all generated by one segment, that of asset manager, and in the UK, hence no segmental or geographical analysis is required.

Interest receivable

Interest income is accounted for on a receivable basis.

Cost of sales

Cost of sales reflects costs attributable to adviser commission and other fund related operating expenses.

Tangible fixed assets

Tangible fixed assets, other than investment properties, 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.

Alpha Real Property Investment Advisers LLP

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

1 Accounting policies (*continued*)

Taxation

Taxation on a members' share of the Partnerships' profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements.

Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Valuation of investments

Investments are measured at their fair value at the balance sheet date being based on quoted market prices with changes in fair value recognised in profit and loss.

Debtors

Debtors are measured at the transaction price, less any impairment.

Cash

Cash at bank and in hand consist of cash and cash balances held with banks.

Creditors

Creditors are measured at the transaction price.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Taxation

No taxation is reflected in the financial statements of the Partnership as tax is borne by the individual members in a personal capacity on their attributable profit shares of the Partnership.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the Partnership's benefit.

Alpha Real Property Investment Advisers LLP

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

1 Accounting policies (*continued*)

Pension Cost

The Company operates a defined contribution scheme. Contributions payable are charged to the profit and loss account in the year to which they relate.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain accounting estimates. It also requires management to exercise judgement in applying the Partnership's accounting policies. The areas where assumptions or estimates are most significant to the financial statements are disclosed below:

Judgements in accounting policies

Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty

Tangible fixed assets (see note 8):

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors such as how an asset is used, significant unexpected wear and tear, technological advancement, and changes in market prices.

Valuation of Investments:

The investments are held at fair value being the quoted share price at the reporting date. The value of these investments may fluctuate depending on market conditions.

Recoverability of receivables:

The Partnership establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the Partnership considers factors such as the age of the receivables, past experience of recoverability, and the credit profile of customers.

| 3 Turnover | 2022 £ | 2021 £ |
|-----------------------|------------|------------|
| Turnover consists of: | | |
| Fee income | 26,572,674 | 23,176,994 |

Fee income is wholly attributable to the principal activity of the Partnership and arises within the United Kingdom.

Alpha Real Property Investment Advisers LLP

Notes forming part of the financial statements for the year ended 31 March 2022 (continued)

| | | |
|---|------------------|------------------|
| 4 Operating profit | 2022 | 2021 |
| | £ | £ |
| This has been arrived at after charging: | | |
| Depreciation of tangible fixed assets | 26,035 | 23,228 |
| Fees payable to the LLP's auditor for the audit of the LLP's annual account | 18,825 | 13,300 |
| Fees payable to the LLP's auditor for taxation services | 9,750 | 8,000 |
| 5 Employees | 2022 | 2021 |
| | £ | £ |
| Staff costs consist of: | | |
| Wages and salaries | 7,338,498 | 6,584,098 |
| Social security costs | 900,102 | 832,141 |
| Cost of defined contribution pension scheme | 211,181 | 206,612 |
| | <u>8,449,781</u> | <u>7,622,851</u> |

The average number of employees during the year was 83 (2021: 76).

| | | |
|------------------------------|--------------|---------------|
| 6 Interest receivable | 2022 | 2021 |
| | £ | £ |
| Bank interest receivable | 2,222 | 34,473 |
| | <u>2,222</u> | <u>34,473</u> |

7 Members' share of profits

Profits and losses are shared by the members at the end of the period in accordance with agreed profit and loss sharing arrangements governed by the Partnership Agreement. Members are required to make their own provision for pensions and other benefits from their profit shares.

| | | |
|--|-------------------|------------------|
| | 2022 | 2021 |
| | 7 | 7 |
| Average number of members during the year | <u>7</u> | <u>7</u> |
| | £ | £ |
| Average profit per member | <u>2,027,644</u> | <u>1,696,525</u> |
| Profit attributable to the member with the largest entitlement | <u>10,028,025</u> | <u>8,361,171</u> |

Alpha Real Property Investment Advisers LLP

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

8 Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|-------------------------------|----------------------------|------------|
| <i>Cost</i> | | | |
| At 1 April 2021 | 6,156 | 153,193 | 159,349 |
| Additions | - | 55,516 | 55,516 |
| Disposals | - | - | - |
| At 31 March 2022 | 6,156 | 208,709 | 214,865 |
| <i>Depreciation</i> | | | |
| At 1 April 2020 | 5,097 | 118,572 | 123,669 |
| Charge for year | 681 | 25,355 | 26,036 |
| Disposals | - | - | - |
| At 31 March 2022 | 5,778 | 143,927 | 149,705 |
| <i>Net book value</i> | | | |
| At 31 March 2022 | 378 | 64,782 | 65,160 |
| At 31 March 2021 | 1,059 | 34,621 | 35,680 |

9 Investments

| | 2022 £ | 2021 £ |
|------------------------|-----------|-----------|
| At 1 April | 19,552 | 13,177 |
| Unrealised gain/(loss) | 732 | 6,375 |
| At 31 March | 20,284 | 19,552 |

The investments are measured at fair value through the profit and loss being based on quoted market prices at the reporting date.

10 Debtors

| | 2022 £ | 2021 £ |
|-------------------------|-----------|-----------|
| Trade debtors | 2,291,410 | 1,899,145 |
| Other debtors | 196,694 | 197,050 |
| Prepayments | 202,170 | 172,663 |
| Amounts due from Parent | 301,698 | 848,102 |
| | 2,991,972 | 3,116,960 |

All amounts shown under debtors fall due for payment within one year.

Alpha Real Property Investment Advisers LLP

Notes forming part of the financial statements for the year ended 31 March 2022 (*continued*)

| 11 Creditors: amounts falling due within one year | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Trade creditors | 192,575 | 277,394 |
| Taxation and social security | 495,424 | 411,569 |
| Other creditors | 33,150 | 32,468 |
| Accruals and deferred income | 2,901,174 | 2,732,950 |
| | <hr/> | <hr/> |
| | 3,622,323 | 3,454,381 |
| | <hr/> | <hr/> |

All amounts shown under creditors fall due for payment within one year.

12 Commitments under operating leases

The Partnership had no lease commitments under non-cancellable operating leases (prior year £nil).

13 Ultimate controlling parties

Alpha Real Capital LLP is considered to be the controlling party of the Partnership at the balance sheet date. The ultimate controlling party is considered to be the designated members of Alpha Real Capital LLP.

14 Related party transactions

With regard to Alpha Real Capital LLP, the controlling party of the Partnership, the Partnership incurred £515,762 (2021: £430,746) in respect of occupational recharges and recharges of costs incurred in providing support to the Partnership. During the year, Alpha Real Capital LLP repaid £546,403 of its loan from the Partnership (2021: loan repaid of £546,581). As at 31 March 2022 there was an outstanding loan owed to the Partnership from Alpha Real Capital LLP of £301,698 (2021: £848,102). The loan encompasses all outstanding positions with the Partnership.

The key management personnel who together have authority and responsibility for planning, directing and controlling the activities of the Partnership are considered to be the partners of the Partnership. The total remuneration payable to the partners (including corporate partners) for the year to 31 March 2022 is £14,193,509 (2021: £11,875,673) payable from the profits of the Partnership.

15 Subsequent events

There are no subsequent events to report.

Alpha Real Property Investment Advisers LLP

Members and information

Members

Nigel Ashfield
Anthony Buckley
Stephen Daniels
Simon Housden
Rishi Adatia
Alpha Real Capital LLP*
Alpha Real Capital Germany GmbH*
* Designated members.

Registered office

338 Euston Road, London, NW1 3BG

Registered number

OC355196

Auditor

BDO LLP, 55 Baker St, London W1U 7EU

Lawyers

Osborne Clarke, 1 London Wall, City of London, EC2Y 5EB

Bankers

Royal Bank of Scotland PLC, Santander UK PLC, Barclays Bank PLC