

# Andover Financial Investments LLP

Annual Report and Financial Statements  
for the Year Ended 31 December 2020

**Andover Financial Investments LLP**

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# **Andover Financial Investments LLP**

## **Limited liability partnership information**

<b>Designated members</b>	IC Holdings Ltd IC Group Investments Ltd
<b>Registered office</b>	Suite 1, 3rd Floor 11-12 St James's Square London SW1Y 4LB
<b>Auditors</b>	Fuller & Roper Limited Unit 12 Old Mills Industrial Estate Paulton Bristol BS39 7SU

**Andover Financial Investments LLP**  
**(Registration number: OC368991)**  
**Balance Sheet as at 31 December 2020**

	Note	2020 \$	2019 \$
<b>Fixed assets</b>			
Investments	<u>4</u>	86,244,309	96,933,842
<b>Current assets</b>			
Debtors	<u>5</u>	29,296,294	28,724,486
Investments	<u>6</u>	13,384,011	17,999,821
Cash and short-term deposits		4,645,770	1,648,420
		47,326,075	48,372,727
<b>Creditors:</b> Amounts falling due within one year	<u>7</u>	(6,173,286)	(4,988,294)
<b>Net current assets</b>		41,152,789	43,384,433
<b>Net assets attributable to members</b>		127,397,098	140,318,275
<b>Represented by:</b>			
<b>Loans and other debts due to members</b>			
Members' capital classified as a liability		13,865,496	26,786,673
<b>Members' other interests</b>			
Members' capital classified as equity		113,531,602	113,531,602
		127,397,098	140,318,275
<b>Total members' interests</b>			
Loans and other debts due to members		13,865,496	26,786,673
Equity		113,531,602	113,531,602
		127,397,098	140,318,275

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, as applied to small limited liability partnerships.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime, as applied to limited liability partnerships, and the option not to file the Profit and Loss Account has been taken.

The financial statements of Andover Financial Investments LLP (registered number OC368991) were approved by the Board and authorised for issue on 24 September 2021. They were signed on behalf of the limited liability partnership by:

**Andover Financial Investments LLP**

**(Registration number: OC368991)**

**Balance Sheet as at 31 December 2020 (continued)**

.....  
IC Holdings Ltd  
Designated member

# **Andover Financial Investments LLP**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **1 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **General information and basis of accounting**

The limited liability partnership is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (issued July 2014).

The functional currency of Andover Financial Investments LLP is considered to be US dollars because that is the currency of the primary economic environment in which the limited liability partnership operates. Foreign operations are included in accordance with the policies set out below.

#### **Audit report**

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 24 September 2021 was Simon Roper, who signed for and on behalf of Fuller & Roper Limited.

#### **Members' remuneration and division of profits**

The SORP recognises that the basis of calculating profits for allocation may differ from the profits reflected through the financial statements prepared in compliance with recommended practice, given the established need to seek to focus profit allocation on ensuring equity between different generations and populations of members.

Consolidation of the results of certain subsidiary undertakings, the provision for annuities to current and former members, pension scheme charges, the spreading of acquisition integration costs and the treatment of long leasehold interests are all items which may generate differences between profits calculated for the purpose of allocation and those reported within the financial statements. Where such differences arise, they have been included within other amounts in the balance sheet.

Members' fixed shares of profits (excluding discretionary fixed share bonuses) and interest earned on members' balances are automatically allocated and, are treated as members' remuneration charged as an expense to the profit and loss account in arriving at profit available for discretionary division among members.

The remainder of profit shares, which have not been allocated until after the balance sheet date, are treated in these financial statements as unallocated at the balance sheet date and included within other reserves.

# **Andover Financial Investments LLP**

## **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

### **1 Accounting policies (continued)**

#### **Foreign currency**

Profit and loss account transactions in foreign currencies are translated into US dollars at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

#### **Taxation**

The taxation payable on the partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

other taxes policy

#### **Fixed asset investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Current asset investments**

Current asset investments are included at the lower of cost and net realisable value.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Members' interests**

Amounts due to members after more than one year comprise provisions for annuities to current members and certain loans from members which are not repayable within twelve months of the balance sheet date.

#### **Financial instruments**

##### **Classification**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the limited liability partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## **Andover Financial Investments LLP**

### **Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)**

#### **1 Accounting policies (continued)**

##### **Recognition and Measurement**

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (e).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

##### **Impairment of financial assets**

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the limited liability partnership transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the limited liability partnership, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



## Andover Financial Investments LLP

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 1 Accounting policies (continued)

##### Current versus non-current classification

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

In the limited liability partnership balance sheet, investments in subsidiaries and associates are measured at cost less impairment.

##### Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

#### 2 Particulars of employees

The average number of persons employed by the limited liability partnership during the year was 0 (2019 - 0).

#### 3 Auditor's remuneration

	2020 \$	2019 \$
Audit of the financial statements	5,756	5,945
<b>Fees payable to the LLP's auditor and its associates for other services:</b>		
Other services	12,839	12,085

#### 4 Investments held as fixed assets

	2020 \$	2019 \$
Other investments	86,244,309	96,933,842

## Andover Financial Investments LLP

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 4 Investments held as fixed assets (continued)

##### Other investments

	Subsidiary undertakings \$	Unlisted investments \$	Total \$
<b>Cost</b>			
At 1 January 2020	96,932,882	960	96,933,842
Revaluation	(10,689,533)	-	(10,689,533)
At 31 December 2020	86,243,349	960	86,244,309
<b>Net book value</b>			
At 31 December 2020	86,243,349	960	86,244,309
At 31 December 2019	96,932,882	960	96,933,842

##### Details of undertakings

Details of the investments in which the limited liability partnership holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
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##### Subsidiary undertakings

Vanguardia Inversiones S.A.S	Colombia	Ordinary	100%	Investment management
Vanguardia Asesorias S.A.S.	Colombia	Ordinary	100%	Investment management

## Andover Financial Investments LLP

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 5 Debtors

	2020	2019
	\$	\$
Other debtors	29,296,294	28,724,486

#### 6 Current asset investments

	2020	2019
	\$	\$
Other investments	13,384,011	17,999,821

#### 7 Creditors: Amounts falling due within one year

	2020	2019
	\$	\$
Bank loans and overdrafts	5,167,344	4,694,078
Trade creditors	-	288,272
Other creditors	999,998	-
Accruals and deferred income	5,944	5,944
	<u>6,173,286</u>	<u>4,988,294</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the limited liability partnership:

	2020	2019
	\$	\$
JP Morgan Chase Bank N.A. line of credit	5,167,344	4,694,078

The credit lines the LLP has received from JP Morgan Chase Bank N.A. incur interest at 0.75%. Security has been given by way of a charge over a portfolios of securities and investments held with JP Morgan Chase.

## Andover Financial Investments LLP

### Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

#### 8 Related party transactions

##### Loans to related parties

	Parent \$	Other related parties \$
<b>2020</b>		
At start of period	26,203,614	2,520,871
Advanced	395,057	181,600
Repaid	-	(4,848)
	<u>26,598,671</u>	<u>2,697,623</u>
At end of period		
	<u>26,598,671</u>	<u>2,697,623</u>
	Parent \$	Other related parties \$
<b>2019</b>		
At start of period	21,618,397	1,422,394
Advanced	4,585,217	1,098,477
	<u>26,203,614</u>	<u>2,520,871</u>
At end of period		
	<u>26,203,614</u>	<u>2,520,871</u>

##### Terms of loans to related parties

All loan balances are unsecured, interest free and repayable on demand.

##### Loans from related parties

	Other related parties \$
<b>2020</b>	
Advanced	<u>1,000,000</u>

##### Terms of loans from related parties

All loan balances are unsecured, interest free and repayable on demand.

#### 9 Control

The immediate parent undertaking is considered to be IC Holdings Ltd, a company incorporated in the Bahamas. Copies of the consolidated group financial statements can be obtained from Mareva House, 4 George Street, Nassau, Bahamas.

The ultimate parent company is considered to be AM Investments LLC, a company incorporated in Delaware, USA.

The members of the LLP consider the ultimate controlling party to be the foundation council of the Fundacion IGA Victoria, a private foundation established under the laws of Panama.

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