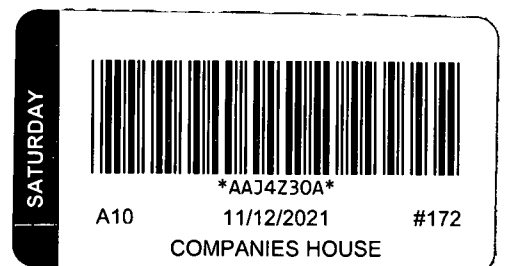


Registered number: OC399737

PORTSEA ASSET MANAGEMENT LLP

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



PORTSEA ASSET MANAGEMENT LLP

INFORMATION

Designated Members

C de Weck
C P Fincke

Members

T Fitch
J J Khong
J Schmalfuss
Portsea AIFM Malta Limited

LLP registered number

OC399737

Registered office

17 Dominion Street
London
EC2M 2EF

Independent auditors

Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

PORTSEA ASSET MANAGEMENT LLP

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PORTSEA ASSET MANAGEMENT LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The members present their annual report together with the audited financial statements of Portsea Asset Management LLP ("the LLP") for the year ended 31 March 2021.

Principal activity

The principal activity of the LLP is the provision of investment management and advisory services. The LLP is authorised and regulated by the Financial Conduct Authority ("the FCA") effective 1 December 2015.

Members

The members of the LLP during the year and up to the date of this report were as follows:

C P Fincke*
J J Khong
J Schmalfuss
C de Weck*
Portsea AIFM Malta Limited
W S Browning (resigned 15 May 2021)
T Finch (appointed 6 June 2021)

* denotes designated member

Going concern

The global outbreak of the coronavirus disease ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine and social distancing, having caused material disruption to businesses globally resulting in an economic slowdown.

The members have carried out an assessment of the continued appropriateness of the going concern basis which included the preparation of cash flow models together with stress testing scenarios which demonstrated the impact of potential outcomes that COVID-19 could have on the business. Having considered these matters the members remain satisfied that the LLP has sufficient resources to meet its ongoing obligations as and when they fall due for a period of at least 12 months from the date that these financial statements are approved. As such the members remain satisfied that it is appropriate to prepare these financial statements on the going concern basis of preparation.

Members' capital and interests

Policies for members' drawings, subscriptions and repayment of members' capital are governed by the LLP Agreement dated 30 October 2015.

Details of changes in members' capital in the year ended 31 March 2021 are set out in the Reconciliation of Members' Interests.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

**MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Unaudited Pillar 3 and UK Stewardship Code

Details of the LLP's unaudited Pillar 3 disclosures, required under Chapter 11 of the FCA's Prudential Sourcebook for Banks, Building Societies and Investment Firms ("BIPRU") and details of the LLP's commitment to the UK Stewardship Code, required under rule 2.2.3R of the FCA's Conduct of Business Sourcebook ("COBS") are detailed as an appendix to these financial statements.

Members' responsibilities statement

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 of the profit or loss of the LLP 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 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 LLP'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 LLP's auditors are aware of that information.

PORTSEA ASSET MANAGEMENT LLP

**MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Auditors

The auditors, Haysmacintyre 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 on 23 July 2021 and signed on their behalf by:



C P Fincke
Designated member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTSEA ASSET MANAGEMENT LLP

Opinion

We have audited the financial statements of Portsea Asset Management LLP ("the LLP") for the year ended 31 March 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Members' Interests, the Statement of Cash Flows, 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 LLP's affairs as at 31 March 2021 and of its 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 LLP 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 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.

PORTSEA ASSET MANAGEMENT LLP

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTSEA ASSET MANAGEMENT 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, 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 Members' Responsibilities Statement set out on page 2, 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 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 LLP or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTSEA ASSET MANAGEMENT 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 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the LLP and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the investment advisory business and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report

PORTSEA ASSET MANAGEMENT LLP

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTSEA ASSET MANAGEMENT LLP
(CONTINUED)**

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.

Melanie Pittas

Melanie Pittas (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

23 July 2021

PORTSEA ASSET MANAGEMENT LLP

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	4	8,705,440	4,045,438
Cost of sales		(1,214,452)	(553,782)
		<hr/>	<hr/>
Gross profit		7,490,988	3,491,656
Administrative expenses		(1,568,657)	(1,144,753)
		<hr/>	<hr/>
Operating profit	5	5,922,331	2,346,903
Interest receivable and similar income	9	-	1,324
		<hr/>	<hr/>
Profit for the year before members' remuneration and profit shares available for discretionary division among members		<u>5,922,331</u>	<u>2,348,227</u>

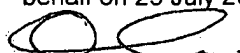
There was no other comprehensive income for 2021(2020:£NIL).

The notes on pages 12 to 21 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Tangible assets	10	8,579	10,134
Current assets			
Debtors: amounts falling due after more than one year	11	143,582	143,582
Debtors: amounts falling due within one year	11	7,201,602	3,140,001
Cash at bank and in hand	12	139,086	581,865
		<u>7,484,270</u>	<u>3,865,448</u>
Creditors: amounts falling due within one year	13	(323,398)	(280,235)
Net current assets		7,160,872	3,585,213
Net assets		<u><u>7,169,451</u></u>	<u><u>3,595,347</u></u>
Represented by:			
Loans and other debts due to members within one year			
Members' other interests			
Members' capital classified as equity		1,247,120	1,247,120
Other reserves classified as equity		5,922,331	2,348,227
		<u><u>7,169,451</u></u>	<u><u>3,595,347</u></u>
Total members' interests			
Amounts due from members (included in debtors)	11	(6,772,930)	(2,450,071)
Members' other interests		7,169,451	3,595,347
		<u><u>396,521</u></u>	<u><u>1,145,276</u></u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 23 July 2021.



C P Fincke
Designated member

The notes on pages 12 to 21 form part of these financial statements.

PORTSEA ASSET MANAGEMENT LLP

RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2021

	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 (as restated) £	Total (as restated) £	Total (as restated) £
Amounts due from members				(2,329,287)	(2,329,287)	
Balance at 1 April 2019 (as restated)	1,247,120	1,712,222	2,959,342	(2,329,287)	(2,329,287)	630,055
Profit for the year available for discretionary division among members	-	2,348,227	2,348,227	-	-	2,348,227
Members' interests after profit for the year (as restated)	1,247,120	4,060,449	5,307,569	(2,329,287)	(2,329,287)	2,978,282
Other division of profits	-	(1,712,222)	(1,712,222)	1,712,222	1,712,222	-
Drawings	-	-	-	(1,989,980)	(1,989,980)	(1,989,980)
Other movements (as restated)	-	-	-	156,972	156,972	156,972
Amounts due from members (as restated)				(2,450,073)	(2,450,073)	
Balance at 31 March 2020 (as restated)	1,247,120	2,348,227	3,595,347	(2,450,071)	(2,450,071)	1,145,276
Profit for the year available for discretionary division among members	-	5,922,331	5,922,331	-	-	5,922,331
Members' interests after profit for the year	1,247,120	8,270,558	9,517,678	(2,450,071)	(2,450,071)	7,067,607
Other division of profits	-	(2,348,227)	(2,348,227)	2,348,227	2,348,227	-
Drawings	-	-	-	(6,734,771)	(6,734,771)	(6,734,771)
Other movements	-	-	-	63,685	63,685	63,685
Amounts due from members				(6,772,930)	(6,772,930)	
Balance at 31 March 2021	1,247,120	5,922,331	7,169,451	(6,772,930)	(6,772,930)	396,521

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

PORTSEA ASSET MANAGEMENT LLP

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	As restated 2020 £
Cash flows from operating activities		
Profit for the financial year	5,922,331	2,348,227
Adjustments for:		
Depreciation of tangible assets	6,150	6,258
Interest received	-	(1,324)
Decrease in debtors	261,257	83,012
Increase/(decrease) in creditors	43,164	(805,794)
Net cash generated from operating activities before transactions with members	<u>6,232,902</u>	<u>1,630,379</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(4,595)	(7,253)
Interest received	-	1,324
Net cash used in investing activities	<u>(4,595)</u>	<u>(5,929)</u>
Cash flows from financing activities		
Distribution paid to members	(6,734,771)	(1,989,980)
Other transactions with members	63,685	156,974
Net cash used in financing activities	<u>(6,671,086)</u>	<u>(1,833,006)</u>
Net decrease in cash and cash equivalents	<u>(442,779)</u>	<u>(208,556)</u>
Cash and cash equivalents at beginning of year	581,865	790,421
Cash and cash equivalents at the end of year	<u><u>139,086</u></u>	<u><u>581,865</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>139,086</u></u>	<u><u>581,865</u></u>

The notes on pages 12 to 21 form part of these financial statements.

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

1. General information

Portsea Asset Management LLP is a limited liability partnership incorporated and domiciled in England and Wales. The address of its registered office and principal place of business is 17 Dominion Street, London, EC2M 2EF and the registered number is OC399737.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 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 management to exercise judgment in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The global outbreak of the coronavirus disease ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine and social distancing, having caused material disruption to businesses globally resulting in an economic slowdown.

The members have carried out an assessment of the continued appropriateness of the going concern basis which included the preparation of cash flow models together with stress testing scenarios which demonstrated the impact of potential outcomes that COVID-19 could have on the business. Having considered these matters the members remain satisfied that the LLP has sufficient resources to meet its ongoing obligations as and when they fall due for a period of at least 12 months from the date that these financial statements are approved. As such the members remain satisfied that it is appropriate to prepare these financial statements on the going concern basis of preparation.

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

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

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

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

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

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 Operating leases: the LLP as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

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

2.6 Interest income

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

2.7 Pensions

Defined contribution pension plan

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP 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 LLP in independently administered funds.

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

2. Accounting policies (continued)

2.8 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.

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

Depreciation is provided on the following basis:

Computer equipment	-	33% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.10 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.

2.11 Creditors

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

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

2. Accounting policies (continued)

2.12 Financial instruments

The LLP only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

In the process of applying its accounting policies, the LLP is required to make certain estimates, judgments and assumptions that it believes are reasonable based on the information available. These judgments, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented.

On an ongoing basis, the LLP evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

The following paragraphs detail the estimates and judgments the LLP believes to have the most significant impact on the annual results under FRS 102.

Revenue recognition and allowance for doubtful receivables

The LLP recognises revenue generally at the time of delivery and when collection of the resulting receivable is reasonably assured. When the LLP considers that the criteria for revenue recognition are not met for a transaction, revenue recognition is delayed until such time as collectability is reasonably assured.

At each reporting date, the LLP evaluates the recoverability of trade receivables and records allowances for doubtful receivables based on experience. These allowances are based on, amongst other things, a consideration of actual collection history. The actual level of receivables collected may differ from the estimated levels of recovery, which could impact operating results positively or negatively.

PORTSEA ASSET MANAGEMENT LLP

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

4. Turnover

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

	2021 £	2020 £
Investment management and advisory services	8,705,440	4,045,438

Analysis of turnover by country of destination:

	2021 £	2020 £
Europe	7,642,985	3,051,349
Rest of the World	1,062,455	994,089
	8,705,440	4,045,438

5. Operating profit

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

	2021 £	2020 £
Depreciation of tangible fixed assets	6,150	6,258
Exchange differences	(198,138)	(79,666)
Other operating lease rentals	188,429	186,444

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual financial statements	7,750	7,000

Fees payable to the LLP's auditor and its associates in respect of:

Audit-related assurance services	1,750	1,750
Other services relating to taxation	2,700	3,400
All other services	2,100	2,000
	6,550	7,150

PORTSEA ASSET MANAGEMENT LLP

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

7. Employees

	2021 £	2020 £
Wages and salaries	391,064	322,505
Social security costs	54,625	36,015
Cost of defined contribution scheme	3,002	6,464
	<u>448,691</u>	<u>364,984</u>

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

	2021 No.	2020 No.
Employees	<u>3</u>	<u>3</u>

8. Information in relation to members

	2021 Number	2020 Number
The average number of members during the year was	<u>6</u>	<u>6</u>
	2021 £	2020 £
The amount of profit attributable to the member with the largest entitlement was	<u>573,781</u>	<u>556,776</u>

9. Interest receivable

	2021 £	2020 £
Bank interest receivable	<u>-</u>	<u>1,324</u>

PORTSEA ASSET MANAGEMENT LLP

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

10. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 April 2020	26,885
Additions	4,595
At 31 March 2021	<u>31,480</u>
Depreciation	
At 1 April 2020	16,751
Charge for the year on owned assets	6,150
At 31 March 2021	<u>22,901</u>
Net book value	
At 31 March 2021	<u>8,579</u>
At 31 March 2020	<u>10,134</u>

PORTSEA ASSET MANAGEMENT LLP

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

11. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	143,582	143,582
	<u>143,582</u>	<u>143,582</u>
	2021 £	As restated 2020 £
Due within one year		
Trade debtors	127,914	293,805
Other debtors	202,150	187,477
Prepayments and accrued income	98,608	208,646
Amounts due from members	6,772,930	2,450,073
	<u>7,201,602</u>	<u>3,140,001</u>

Other debtors due after more than one year relates to the rent deposit which is repayable in May 2022.

12. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	139,086	581,865
	<u>139,086</u>	<u>581,865</u>

13. Creditors: amounts falling due within one year

	2021 £	As restated 2020 £
Trade creditors	129,245	204,670
Other taxation and social security	1	10,613
Other creditors	150,634	1,314
Accruals and deferred income	43,518	63,638
	<u>323,398</u>	<u>280,235</u>

PORTSEA ASSET MANAGEMENT LLP

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

14. Analysis of net debt

	At 1 April 2020 £	Arising from cash flows £	At 31 March 2021 £
Cash at bank and in hand	581,865	(442,779)	139,086
Net debt	<u>581,865</u>	<u>(442,779)</u>	<u>139,086</u>

15. Prior year adjustment

Portsea Malta AIFM Limited is a member of the LLP. Historically transactions and balances with Portsea Malta AIFM Limited have been recognised as trade balances rather than through the Reconciliation of Members' Interests. The impact of this adjustment is that as at 31 March 2020, trade debtors has been restated from £585,675 to £293,805, other debtors has been restated from £258,961 to £187,477, prepayments and accrued income has been restated from £208,917 to £208,646, amounts due from members has been restated from £2,174,587 to £2,450,073 and trade creditors has been restated from £292,812 to £204,670. The adjustment at 1 April 2019 is to recognise an amount due from member of £432,458.

16. Pension commitments

The LLP operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the LLP in an independently administered fund. The pension cost charge represents contributions payable by the LLP to the fund and amounted to £3,002 (2020: £6,464). Contributions totalling £930 (2020: £504) were payable to the fund at the reporting date.

17. Commitments under operating leases

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

	2021 £	2020 £
Not later than 1 year	167,115	167,115
Later than 1 year and not later than 5 years	27,853	194,968
	<u>194,968</u>	<u>362,083</u>

PORTSEA ASSET MANAGEMENT LLP

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

18. Related party transactions

During the year ended 31 March 2021 the LLP provided investment advisory services totalling £7,647,540 (2020: £3,116,711) to Portsea AIFM Malta Limited, a company under common control and itself a member of the LLP. At 31 March 2021 a net amount of £211,799 (2020: £275,484) remains due to the LLP.

Key management personnel are considered to be the members of the LLP and details of their remuneration are included in the Reconciliation of Members' Interests and note 8.

19. Post balance sheet events

W Browning resigned as a member on 15 May 2021 and £5,000 capital has been returned. On 6 June 2021, T Fitch was appointed as a member and contributed £5,000 capital.

20. Controlling party

The controlling party is C de Weck, a designated member.