

Absolute Return Investment Advisers (ARIA) Limited

trading as ARIA Capital Management
Annual Report and Financial Statements
for the Year Ended 31 March 2023

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Contents

Company Information	<u>1</u>
Strategic Report	<u>2</u> to <u>3</u>
Directors' Report	<u>4</u> to <u>5</u>
Statement of Directors' Responsibilities	<u>6</u>
Independent Auditor's Report	<u>7</u> to <u>10</u>
Profit and Loss Account	<u>11</u>
Balance Sheet	<u>12</u>
Statement of Changes in Equity	<u>13</u>
Statement of Cash Flows	<u>14</u>
Notes to the Financial Statements	<u>15</u> to <u>22</u>

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Company Information

Directors	M Brittain D Brimacombe A McKenzie-Smart C Thompson
Registered office	Building 2 Ground Floor Guildford Business Park Guildford GU2 8XG
Auditors	Warrener Stewart Chartered Accountants Harwood House 43 Harwood Road London SW6 4QP

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Strategic Report for the Year Ended 31 March 2023

The Directors present their strategic report for the year ended 31 March 2023.

Principal activity

The principal activity of the Company is the provision of investment advisory services

Fair review of the business

The Company made a pre-tax loss of £157,975 compared to a profit of £94,310 in 2022 and had net assets of £1,195,381 at the balance sheet date [2022 : £1,330,104].

The Directors consider this to be a satisfactory outcome for the year given the Company's focus on establishing a global wealth management platform with licences across a number of jurisdictions. The Company is in the process of changing its custodian internationally which will provide a much wider global distribution network, whilst developing new 'front end tools'. The Directors consider the Company is well placed to take advantage of changes in the global financial services industry.

Principal risks and uncertainties

The Directors have undergone a thorough analysis of the risks inherent in the Company's activities. The analysis identified the likelihood of the event occurring as well as the magnitude of the impact on the Company should the event occur. The Directors considered the level of control exercised by the Company to manage the risk that the event occurs, as well as identifying the persons to manage the risk and those persons to supervise and monitor the risk.

The main risk that the Directors identified was from the disintermediation of the Financial Services industry and its increasingly global nature, given historically much of the client business has been intermediated by professional advisers. The Directors consider that the Company's size and the ability to react rapidly to changing market and industry conditions marks a considerable strength as well as presenting opportunities.

The Company also minimises this risk whenever possible through diversification and broadening of its service proposition. To this end, the Company has developed more 'direct-to-client' services, and developed platforms for new client types, such as a securitisation platform, which will move the Company towards a multi-distribution channel business.

Approved and authorised by the Board on 24 November 2023 and signed on its behalf by:

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Strategic Report for the Year Ended 31 March 2023

.....
M Brittain
Director

.....
A McKenzie-Smart
Director

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Directors' Report for the Year Ended 31 March 2023

The Directors present their report and the financial statements for the year ended 31 March 2023.

Directors of the Company

The Directors who held office during the year were as follows:

M Brittain

D Brimacombe

A McKenzie-Smart

Ms K E Januchowska (Resigned 10 May 2023)

C Thompson

Financial performance

Objectives and policies

The company has been working closely with its affiliated MIFID2 entity in Europe which will accelerate assets under management in the coming months. The company has worked on developing a European platform proposition which will allow further distribution of company's products and services, opening new distribution channels and European markets. This proposition is projected to deliver Mifid2 investment platform for advisory firms, pension trustees and individual clients with access to international markets. There is a great potential for an investment platform in the European markets and the firm is considering a stronger engagement in the Irish market especially.

With the new distribution channels, Model Portfolio Service (MPS) is expected to grow as well. The firm is considering re-aligning the proposition to SFDR requirements and will consider implementation of ESG objectives to the suite of products. The issues surrounding ESG in particular are close to our hearts and we consider smooth transition within investment objectives and investment policies.

The proposition continues to broaden with the addition of mortgage advice for expats looking to secure UK property. By offering mortgage and protection advice the firm supports a holistic financial planning to retail clients.

The Companies compliance department was further strengthened during the year with new hires, as well as the beginnings of a new Irish based workforce.

Price risk, credit risk, liquidity risk and cash flow risk

The Company's Pillar 3 disclosures can be found on its website on www.ariacm.com.

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Directors' Report for the Year Ended 31 March 2023

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Warrener Stewart Chartered Accountants as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved and authorised by the Board on 24 November 2023 and signed on its behalf by:

.....

M Brittain

Director

.....

A McKenzie-Smart

Director

Absolute Return Investment Advisers (ARIA) Limited
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Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Absolute Return Investment Advisers (ARIA) Limited
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Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA) Limited

Opinion

We have audited the financial statements of Absolute Return Investment Advisers (ARIA) Limited (the 'Company') for the year ended 31 March 2023, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its loss 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.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

Absolute Return Investment Advisers (ARIA) Limited
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Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA) Limited

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], the Directors 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 Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Absolute Return Investment Advisers (ARIA) Limited
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Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA) Limited

Auditor 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.

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

Our assessment of the susceptibility of the entity's financial statements is considered to be low. We reached this conclusion after consideration of the following:

- Because of the regulated nature of the business, there are strong controls in place and adequate high level monitoring such that any unexpected items would be identified and enquired into by management; and
- Management decisions are closely overseen and monitored at Group level indicating that the likelihood of any single individual being in a position to override controls to effect fraud is low.

We designed our audit procedures to respond to identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- The review of control accounts and journal entries for large, unusual or unauthorised entries;
- The analytical review of the detailed profit and loss account for unexpected variances or items that fell outside our understanding of the business;
- Obtaining and reviewing a list of connected persons and entities and reviewing ledgers for undisclosed related party transactions; and
- Reviewing compliance with the rules and guidelines set out by the Financial Conduct Authority.

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

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

Absolute Return Investment Advisers (ARIA) Limited
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Independent Auditor's Report to the Members of Absolute Return Investment Advisers (ARIA) Limited

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Colin Edney (Senior Statutory Auditor)

For and on behalf of Warrener Stewart Chartered Accountants, Statutory Auditor

Harwood House

43 Harwood Road

London

SW6 4QP

28 November 2023

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Profit and Loss Account for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	<u>3</u>	1,690,744	1,480,270
Cost of sales		<u>(633,547)</u>	<u>(366,443)</u>
Gross profit		1,057,197	1,113,827
Administrative expenses		<u>(1,338,421)</u>	<u>(977,422)</u>
Operating (loss)/profit	<u>4</u>	<u>(281,224)</u>	136,405
Other interest receivable and similar income	<u>5</u>	-	530
Interest payable and similar expenses	<u>6</u>	<u>123,249</u>	<u>(20,653)</u>
		<u>123,249</u>	<u>(20,123)</u>
(Loss)/profit before tax		(157,975)	116,282
Tax on (loss)/profit	<u>9</u>	<u>23,252</u>	<u>(21,972)</u>
(Loss)/profit for the financial year		<u><u>(134,723)</u></u>	<u><u>94,310</u></u>

The above results were derived from continuing operations.

The Company has no recognised gains or losses for the year other than the results above.

Absolute Return Investment Advisers (ARIA) Limited
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(Registration number: 07091239)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible Assets	<u>10</u>	7,208	6,270
Current assets			
Debtors	<u>11</u>	3,286,280	2,873,288
Cash at bank and in hand		17,594	273,549
		3,303,874	3,146,837
Creditors: Amounts falling due within one year	<u>13</u>	(2,115,701)	(1,823,003)
Net current assets		1,188,173	1,323,834
Net assets		1,195,381	1,330,104
Capital and reserves			
Called up share capital		73,636	73,636
Retained earnings		1,121,745	1,256,468
Shareholders' funds		1,195,381	1,330,104

Approved and authorised by the Board on 24 November 2023 and signed on its behalf by:

.....

M Brittain
Director

.....

A McKenzie-Smart
Director

Absolute Return Investment Advisers (ARIA) Limited
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Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital £	Retained earnings £	Total £
At 1 April 2022	73,636	1,256,468	1,330,104
Loss for the year	-	(134,723)	(134,723)
At 31 March 2023	73,636	1,121,745	1,195,381
	Share capital £	Retained earnings £	Total £
At 1 April 2021	73,636	1,173,170	1,246,806
Profit for the year	-	94,310	94,310
Dividends	-	(11,012)	(11,012)
At 31 March 2022	73,636	1,256,468	1,330,104

Absolute Return Investment Advisers (ARIA) Limited
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Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
(Loss)/profit for the year		(134,723)	94,310
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>4</u>	3,239	3,854
Finance income	<u>5</u>	-	(530)
Finance costs	<u>6</u>	3,851	3,373
Income tax expense	<u>9</u>	(23,252)	21,972
		(150,885)	122,979
Working capital adjustments			
(Increase)/decrease in trade debtors	<u>11</u>	(412,991)	308,451
Increase in trade creditors	<u>13</u>	315,950	916,369
Net cash flow from operating activities		(247,926)	1,347,799
Cash flows from investing activities			
Interest received	<u>5</u>	-	530
Acquisitions of tangible assets		(4,178)	(3,426)
Net cash flows from investing activities		(4,178)	(2,896)
Cash flows from financing activities			
Interest paid	<u>6</u>	(3,851)	(3,373)
Repayment of other borrowing		-	(1,378,526)
Dividends paid	<u>16</u>	-	(11,012)
Net cash flows from financing activities		(3,851)	(1,392,911)
Net decrease in cash and cash equivalents		(255,955)	(48,008)
Cash and cash equivalents at 1 April		273,549	321,557
Cash and cash equivalents at 31 March		17,594	273,549

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Notes to the Financial Statements for the Year Ended 31 March 2023

1 General information

The Company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Building 2
Ground Floor
Guildford Business Park
Guildford
GU2 8XG

These financial statements were authorised for issue by the Board on 24 November 2023.

2 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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of investment management services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Absolute Return Investment Advisers (ARIA) Limited
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Notes to the Financial Statements for the Year Ended 31 March 2023

Tax

The corporation tax expense for the period comprises current tax.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible Assets

Tangible Assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer equipment	4 years straight line
Fixtures and fittings	5 years straight line

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.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Notes to the Financial Statements for the Year Ended 31 March 2023

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of revision and future years if the revision affects both current and future years.

Management considers the key estimates and judgements made in the financial statements to be related to:

- A. Valuation of the shares, securities and other assets held by the Company's investment funds which determine the Company's management and performance fees receivable.
- B. The timing of commissions and fees receivable from the Company's investment funds.
- C. The company has also included commissions receivable by the Company which are payable to the firm's introducers as income and associated costs during the year. Under these agreements the Company considers it is acting as principal with an agent to pay the introducer rather than as the introducers' agent.

Absolute Return Investment Advisers (ARIA) Limited
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Notes to the Financial Statements for the Year Ended 31 March 2023

3 Turnover

The analysis of the Company's Turnover for the year from continuing operations is as follows:

	2023	2022
	£	£
Rendering of services	1,690,744	1,480,270

The analysis of the Company's Turnover for the year by market is as follows:

	2023	2022
	£	£
UK	1,690,744	1,481,400
Rest of world	-	(1,130)
	<u>1,690,744</u>	<u>1,480,270</u>

4 Operating (loss)/profit

Arrived at after charging/(crediting)

	2023	2022
	£	£
Depreciation expense	3,239	3,854

5 Other interest receivable and similar income

	2023	2022
	£	£
Other finance income	-	530

6 Interest payable and similar expenses

	2023	2022
	£	£
Interest expense on other finance liabilities	3,851	3,373
Foreign exchange (losses)/gains	(127,100)	17,280
	<u>(123,249)</u>	<u>20,653</u>

Absolute Return Investment Advisers (ARIA) Limited
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Notes to the Financial Statements for the Year Ended 31 March 2023

7 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2023	2022
	£	£
Wages and salaries	831,873	531,427
Social security costs	49,041	27,495
Pension costs, defined contribution scheme	15,262	10,313
Redundancy costs	(15,000)	-
Other employee expense	49,436	38,953
	<u>930,612</u>	<u>608,188</u>

The average number of persons employed by the Company (including Directors) during the year, analysed by category was as follows:

	2023	2022
	No.	No.
Administration and support	18	15
	<u>18</u>	<u>15</u>

8 Auditors' remuneration

	2023	2022
	£	£
Audit of the financial statements	<u>18,250</u>	<u>7,750</u>

9 Taxation

Tax charged/(credited) in the profit and loss account

	2023	2022
	£	£
Current taxation		
UK corporation tax	-	23,252
UK corporation tax adjustment to prior periods	<u>(23,252)</u>	<u>(1,280)</u>
	<u>(23,252)</u>	<u>21,972</u>

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Notes to the Financial Statements for the Year Ended 31 March 2023

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2022 - the same as the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
(Loss)/profit before tax	<u>(157,975)</u>	<u>116,282</u>
Corporation tax at standard rate	(30,015)	22,094
Effect of expense not deductible in determining taxable profit (tax loss)	25	1,272
Effect of tax losses	6,916	-
Decrease in UK and foreign current tax from adjustment for prior periods	-	(1,280)
Tax decrease from effect of capital allowances and depreciation	<u>(178)</u>	<u>(114)</u>
Total tax (credit)/charge	<u>(23,252)</u>	<u>21,972</u>

10 Tangible Assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2022	19,267	18,373	37,640
Additions	<u>-</u>	<u>4,178</u>	<u>4,178</u>
At 31 March 2023	<u>19,267</u>	<u>22,551</u>	<u>41,818</u>
Depreciation			
At 1 April 2022	17,959	13,412	31,371
Charge for the year	<u>461</u>	<u>2,778</u>	<u>3,239</u>
At 31 March 2023	<u>18,420</u>	<u>16,190</u>	<u>34,610</u>
Carrying amount			
At 31 March 2023	<u>847</u>	<u>6,361</u>	<u>7,208</u>
At 31 March 2022	<u>1,309</u>	<u>4,961</u>	<u>6,270</u>

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Notes to the Financial Statements for the Year Ended 31 March 2023

11 Debtors

	2023	2022
	£	£
Current		
Trade debtors	-	-
Other debtors	2,986,477	2,706,761
Prepayments	36,760	37,846
Accrued income	263,043	128,681
	<u>3,286,280</u>	<u>2,873,288</u>

Details of non-current trade and other debtors

£Nil (2022 -£2,547,169) of other debtors is classified as non current.

12 Cash and cash equivalents

	2023	2022
	£	£
Cash on hand	60	59
Cash at bank	17,534	273,490
	<u>17,594</u>	<u>273,549</u>

13 Creditors

		2023	2022
	Note	£	£
Due within one year			
Trade creditors		136,778	89,297
Amounts due to related parties		1,135,949	12,217
Social security and other taxes		-	10,013
Outstanding defined contribution pension costs		5,663	3,163
Other payables		658,523	1,492,792
Accruals		102,158	115,639
Income tax liability	<u>9</u>	76,630	99,882
		<u>2,115,701</u>	<u>1,823,003</u>

Absolute Return Investment Advisers (ARIA) Limited
trading as ARIA Capital Management

Notes to the Financial Statements for the Year Ended 31 March 2023

14 Pension and other schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £15,262 (2022 - £10,313).

Contributions totalling £5,663 (2022 - £3,163) were payable to the scheme at the end of the year and are included in creditors.

15 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	73,636	73,636	73,636	73,636

16 Dividends

Interim dividends paid

	2023	2022
	£	£
Interim dividend of £Nil per each Ordinary shares	-	11,012

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