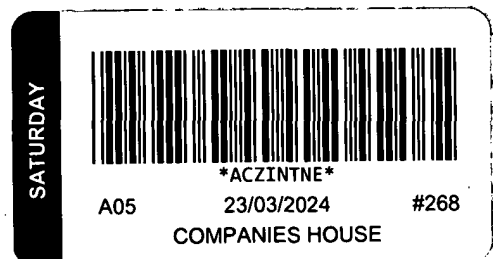


Gemcorp Capital (Services) Limited

Annual Report and Financial Statements

Year Ended 31 December 2022

Company Number 08869490



GEMCORP CAPITAL (SERVICES) LIMITED

COMPANY INFORMATION

Directors	C T Leemhuis (resigned 18 October 2022) P D Shtereva , resigned 12 March 2024) G Sangha (resigned 1 July 2022) J G Fulton (appointed 1 July 2022, resigned 21 July 2023) A S Bostandjiev (appointed 5 March 2024) Y Baidoukov (appointed 12 March 2024)
Registered number	08869490
Registered office	2nd Floor 1 New Burlington Place London W1S2HR

GEMCORP CAPITAL (SERVICES) LIMITED

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GEMCORP CAPITAL (SERVICES) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The director presents her report, together with the financial statements, on Gemcorp Capital (Services) Limited ("the Company") for the year ended 31 December 2022.

Principal activity

The principal activity of the Company during the year was that of acting service provider to Gemcorp Capital Management Limited.

Principal risks and uncertainties

The key business risks and uncertainties affecting the Company relate to the performance of Gemcorp Capital Management Limited, which it acts as a service provider for.

In light of the current economic climate and inflationary pressures, uncertainties also exist over the Company's ongoing running costs, which are being closely monitored by management to ensure sufficient cash is available for the Company to be able to meet its liabilities as they fall due.

Financial key performance indicators

The loss for the year amounted to \$8,056 (2021 - loss of \$6,433,161). In the prior year, the loss was driven by impairments of investments in Gemcorp Capital LLP which arose as part of a wider group reorganisation.

This report was approved by the board and signed on its behalf.

Y Baidoukov
Director

Date

19/03/2024

GEMCORP CAPITAL (SERVICES) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The director presents her report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the Company during the year was that of a service provider to Gemcorp Capital Management Limited.

The director does not anticipate any change in the Company's activity in the foreseeable future.

Results

The loss for the year, after taxation, amounted to \$8,056 (2021 - \$6,433,161).

Going concern

The accounts show net loss of \$8,056 (2021 - loss of \$6,433,161) and net liabilities of \$6,527,172 (2021 - \$6,519,116). The director has assessed that due to the continued support from Gemcorp Capital Management Limited and the wider Gemcorp group the accounts have been prepared on a going concern basis.

The director has made an assessment of the Company's ability to continue as a going concern, particularly in light of the ongoing conflict in Ukraine, and including a review of operational and financial forecasts and budgets for the Gemcorp group for a period up to 28 February 2025, and have a reasonable expectation that the Company and wider Gemcorp group have adequate resources to continue in operational existence and meet its liabilities as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the Directors' Report and financial statements.

Post balance sheet events

No matter or circumstance has arisen since 31 December 2022 that has significantly effected, or may significantly effect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

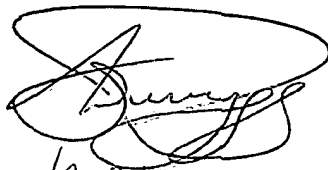
Auditors

The auditors, Ernst & Young LLP, have expressed their willingness to continue in office. A resolution to re appoint them will be proposed at the annual general meeting.

This report was approved by the board and signed on its behalf.

Y Baidoukov
Director

Date: 19/03/2024



GEMCORP CAPITAL (SERVICES) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The director is responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director have elected to prepare the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice). Under Company law the director 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 director is required to:

- select suitable accounting policies for the Company's financial statements 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 Company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at anytime the financial position of the Company and to 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEMCORP CAPITAL (SERVICES) LIMITED

Opinion

We have audited the financial statements of Gemcorp Capital (Services) Limited (the 'Company') for the year ended 31 December 2022 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and applicable law and the United Kingdom Accounting Standards, including FRS 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 Company's affairs as at 31 December 2022 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's 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, 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 directors' 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 12 months from when the financial statements are 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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 the 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 the 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 or Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' Responsibilities Statement set out on page 4 of the financial statements, 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.

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.

Explanation as to what extent the audit was considered 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 irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the requirements of the Companies Act 2006 as applied to limited liability companies, and relevant tax compliance regulations.
- We understood how Gemcorp Capital (Services) Limited is complying with those frameworks by making enquiries of management and those charged with governance to understand how the Directors maintain and communicate its policies and procedures in these areas and corroborated this by reviewing minutes of board meetings for the year.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override. We performed journal entry testing by specific risk criteria, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses, and review of Board meeting minutes.

A further description of our responsibilities for the audit of the financial statements is located 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 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.



James Beszant (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
Date: 19 March 2024

GEMCORP CAPITAL (SERVICES) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 \$	2021 \$
Turnover	3	15,523,016	14,759,268
Gross profit		15,523,016	14,759,268
Administrative expenses		(15,531,072)	(14,781,272)
Operating loss	4	(8,056)	(22,004)
Gain on financial instruments at fair value through profit and loss account		-	22,005
Impairment charges		-	(6,435,727)
Loss before tax		(8,056)	(6,435,726)
Tax on loss	7	-	2,565
Loss for the financial year		(8,056)	(6,433,161)

There are no items of other comprehensive income for 2022 or 2021 other than the loss for the year. As a result, no separate Statement of Comprehensive Income has been presented.

The notes on pages 12 to 23 form part of these financial statements.

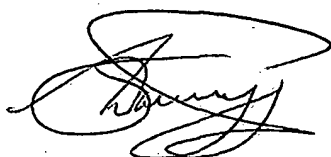
GEMCORP CAPITAL (SERVICES) LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 \$	2021 \$
Fixed assets			
Tangible assets	8	3,208,193	3,865,361
Investments	9	150,008	150,008
Debtors: amounts falling due after more than one year	10	1,179,994	1,282,037
		<u>4,538,195</u>	<u>5,297,406</u>
Current assets			
Debtors: amounts falling due within one year	10	2,018,683	2,018,613
Financial instruments through fair value profit and loss	13	-	773,033
Cash at bank and in hand		720,233	108,744
		<u>2,738,916</u>	<u>2,900,390</u>
Creditors: amounts falling due within one year	11	(12,168,478)	(14,716,912)
Net current liabilities		<u>(9,429,562)</u>	<u>(11,816,522)</u>
Total assets less current liabilities		<u>(4,891,367)</u>	<u>(6,519,116)</u>
Creditors: amounts falling due after more than one year	12	(1,635,805)	-
Net liabilities		<u>(6,527,172)</u>	<u>(6,519,116)</u>
Capital and reserves			
Called up share capital	14	2	2
Profit and loss account	15	(6,527,174)	(6,519,118)
		<u>(6,527,172)</u>	<u>(6,519,116)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Y Baidoukov
Director



19/03/2024

The notes on pages 12 to 23 form part of these financial statements.

GEMCORP CAPITAL (SERVICES) LIMITED

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

	Called up share capital	Profit and loss account	Total equity
	\$	\$	\$
At 1 January 2022	2	(6,519,118)	(6,519,116)
Comprehensive income for the year			
Loss for the year	-	(8,056)	(8,056)
At 31 December 2022	<u>2</u>	<u>(6,527,174)</u>	<u>(6,527,172)</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	\$	\$	\$
At 1 January 2021	2	(85,957)	(85,955)
Comprehensive income for the year			
Loss for the year	-	(6,433,161)	(6,433,161)
At 31 December 2021	<u>2</u>	<u>(6,519,118)</u>	<u>(6,519,116)</u>

The notes on pages 12 to 23 form part of these financial statements.

GEMCORP CAPITAL (SERVICES) LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 \$	2021 \$
Cash flows from operating activities		
Loss for the financial year	(8,056)	(6,433,161)
Adjustments for:		
Amortisation of intangible assets	-	10,224,433
Depreciation of tangible assets	657,168	949,712
Decrease in debtors falling due after more than one year	102,043	1,358,346
Decrease in debtors falling due within one year	481,513	2,258,115
Decrease/increase in amounts owed by group entities	291,451	(583,195)
Increase/(decrease) in creditors	1,001,666	(4,746,596)
(Decrease) in amounts owed to group entities	(1,914,296)	(3,060,193)
Net cash generated from operating activities	611,489	(32,539)
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(7,859)
Net cash from investing activities	-	(7,859)
Net increase/(decrease) in cash and cash equivalents	611,489	(40,398)
Cash and cash equivalents at beginning of year	108,744	149,142
Cash and cash equivalents at the end of year	720,233	108,744
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	720,233	108,744
	720,233	108,744

The notes on pages 12 to 23 form part of these financial statements.

GEMCORP CAPITAL (SERVICES) LIMITED

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

1. General information

These financial statements are presented in US Dollars (USD). They comprise the financial statements of the Company for the year ended 31 December 2022 and presented to the nearest dollar.

The Company has determined that USD is its functional currency, as this is the currency the Company receives all its revenues in.

The principal activity of the Company during the year was to act as a service provider to Gemcorp Capital Management Limited.

The Company is a United Kingdom private limited company limited by shares. It is both incorporated and domiciled in England and Wales. The registered office address is 2nd Floor, 1 New Burlington Place, London, United Kingdom, W1S 2HR.

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 the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The accounts show net loss of \$8,056 (2021 - loss of \$6,433,161) and net liabilities of \$6,527,172 (2021 - \$6,519,116). The director has assessed that due to the continued support from Gemcorp Capital Management Limited and the wider Gemcorp group the accounts have been prepared on a going concern basis.

The director has made an assessment of the Company's ability to continue as a going concern, particularly in light of the ongoing conflict in Ukraine, and including a review of operational and financial forecasts and budgets for the Gemcorp group for a period up to 28 February 2025, and have a reasonable expectation that the Company and wider Gemcorp group have adequate resources to continue in operational existence and meet its liabilities as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the Directors' Report and financial statements.

2.3 Revenue recognition

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

The Company receives revenue from Gemcorp Capital Management Limited to cover all of its costs, and hence revenue is recognised on the same basis as it recognises those costs.

GEMCORP CAPITAL (SERVICES) LIMITED

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

2. Accounting policies (continued)

2.4 Administration expenses

All administration expense of the Company are recognised on an accruals basis.

2.5 Operating leases: the Company 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 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income 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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 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.

GEMCORP CAPITAL (SERVICES) LIMITED

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

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

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

The estimated useful lives range as follows:

Leasehold improvements	- over the term of the lease
Fixtures and fittings	- 4 years
Office equipment	- 4 years
Artwork	- not depreciated

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.

2.8 Investment in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Trade and other receivables are initially recognised at transaction price where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. These basic financial assets, other than short term receivables, are subsequently carried at amortised cost using the effective interest method.

Short term trade and other receivables with no stated interest rate which are receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in administrative expenses.

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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

GEMCORP CAPITAL (SERVICES) LIMITED

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

2. Accounting policies (continued)

2.11 Creditors

Basic financial liabilities including trade and other payables and interest bearing loans and borrowing, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the liability is measured at the present value of the future payments discounted at a market rate of interest.

Basic financial liabilities, other than short term payables, are subsequently carried at amortised costs, using the effective interest rate method. The effective interest rate amortisation is included in interest payable and similar expenses in the Statement of Comprehensive Income.

Short term trade and other payables with no stated interest rate which are payable within one year are recorded at transaction price.

2.12 Pensions

Workplace pension scheme

The Company operates a workplace pension scheme for its employees. A workplace pension scheme is a defined contribution scheme under which the Company pays a percentage contribution into the scheme.

The contributions are recognised as an expense in the Statement of Comprehensive Income 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 Company in independently administered funds.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD as this is the currency of the economic environment in which the Company predominantly operates.

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 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 the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other

GEMCORP CAPITAL (SERVICES) LIMITED

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

2. Accounting policies (continued)

2.14 Financial instruments (continued)

third parties, loans to related parties and investments in ordinary shares.

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

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 Company 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.

Equity investments in funds are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through profit or loss). Subsequently, they are measured at fair value through profit or loss except for those equity investments and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available.

If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measureable is treated as the cost of the instrument.

3. Turnover

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

	2022	2021
	\$	\$
United Kingdom	<u>15,523,016</u>	<u>14,759,268</u>
	<u>15,523,016</u>	<u>14,759,268</u>

The turnover arose from administrative and operational services provided by the Company to Gemcorp Capital Management Limited (prior year - Gemcorp Capital LLP and Gemcorp Capital Management Limited), which are recharged at cost.

GEMCORP CAPITAL (SERVICES) LIMITED

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

4. Profit/(loss) before tax

The profit/(loss) before tax is stated after charging:

	2022	2021
	\$	\$
Tangible fixed asset depreciation	657,168	949,712
Fees payable to the Company's auditors	23,099	25,178
Other operating lease rentals	1,903,463	1,896,771
Foreign exchange loss/(gain)	51,733	(44)
	<u>2,635,463</u>	<u>2,871,617</u>

5. Employees

The average monthly number of employees, including director, during the year was 38 (2021 - 40).

6. Directors' remuneration

	2022	2021
	\$	\$
Directors' emoluments	<u>2,875,499</u>	<u>945,296</u>

The directors of the company are also directors of the holding company and fellow subsidiaries. The directors received total remuneration for the year of \$2,875,499, all of which but one was paid by the holding company. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding and fellow subsidiary companies.

7. Taxation

	2022	2021
	\$	\$
Corporation tax		
Current tax on profits/(losses) for the year	-	(2,565)
Adjustments in respect of previous periods	-	-
Taxation on profit/(loss) on ordinary activities	<u>-</u>	<u>(2,565)</u>

GEMCORP CAPITAL (SERVICES) LIMITED

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

7. Taxation (continued)

Factors affecting tax charge for the year

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

	2022	2021
	\$	\$
Loss on ordinary activities before tax	(8,056)	(6,435,726)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(1,531)	(1,222,788)
Effects of:		
Income not taxable for tax purposes	(139,535)	(182,251)
Expenses not deductible for tax purposes	16,188	1,245,840
Capital allowances for year in excess of depreciation	124,862	180,445
Adjustments to tax charge in respect of prior periods	-	(2,565)
Adjust closing deferred tax to average rate	-	-
Deferred tax not recognised	16	(19,218)
Remeasurement of deferred tax for changes in tax rates	•	(2,028)
Total tax charge for the year	-	(2,565)

Factors that may affect future tax charges

From 1 April 2023 the UK rate of corporation tax increased from 19% to 25%.

GEMCORP CAPITAL (SERVICES) LIMITED

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

8. Tangible fixed assets

	Leasehold improvements \$	Fixtures and fittings \$	Office equipment \$	Artwork \$	Total \$
Cost or valuation					
At 1 January 2022	5,387,832	1,384,388	496,640	424,373	7,693,233
At 31 December 2022	5,387,832	1,384,388	496,640	424,373	7,693,233
Depreciation					
At 1 January 2022	2,065,390	1,294,555	467,927	-	3,827,872
Charge for the year on owned assets	538,776	89,833	28,559	-	657,168
At 31 December 2022	2,604,166	1,384,388	496,486	-	4,485,040
Net book value					
At 31 December 2022	2,783,666	-	154	424,373	3,208,193
At 31 December 2021	3,322,442	89,833	28,713	424,373	3,865,361

9. Fixed asset investments

	2022 \$
Cost or valuation	
At 1 January 2022	150,008
At 31 December 2022	150,008

The investment represents the Company's investment in:

- The investment value is equal to the regulatory capital amount of \$150,008 held by Gemcorp Capital LLP. This was transferred on 10th February 2023.

GEMCORP CAPITAL (SERVICES) LIMITED

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

10. Debtors

	2022	2021
	\$	\$
Due after more than one year		
Rent deposit	1,179,994	1,282,037
	<u>1,179,994</u>	<u>1,282,037</u>
	2022	2021
	\$	\$
Due within one year		
Amounts owed by group undertakings	924,126	1,215,576
Other debtors	223,848	417,613
Prepayments and accrued income	870,709	385,424
	<u>2,018,683</u>	<u>2,018,613</u>

Amounts owed by group undertakings are unsecured, interest free and due on demand.

11. Creditors: Amounts falling due within one year

	2022	2021
	\$	\$
Trade creditors	(37,079)	991,775
Amounts owed to group undertakings	7,355,884	9,270,180
Other taxation and social security	-	174,149
Other creditors	-	773,033
Accruals	4,849,673	3,507,775
	<u>12,168,478</u>	<u>14,716,912</u>

Amounts owed to group undertakings are unsecured, interest free and payable on demand.

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

	2022	2021
	\$	\$
Accruals	1,635,805	-
	<u>1,635,805</u>	<u>-</u>

GEMCORP CAPITAL (SERVICES) LIMITED

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

13. Financial assets measured at fair value through profit or loss

	2022	2021
	\$	\$
Financial assets within one year		
Collective investment scheme managed by GCML	-	773,033

14. Share capital

	2022	2021
	\$	\$
Allotted, called up and fully paid		
1 Ordinary shares at \$2.00 each	2	2

15. Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments. No dividends were paid or declared during the year (2021: Nil).

16. Commitments under operating leases

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

	2022	2021
	\$	\$
Not later than 1 year	2,446,803	1,026,322
Later than 1 year and not later than 5 years	8,493,424	-
Not later than 1 year	10,940,227	1,026,322

17. Pension commitments

The Company operates a workplace defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the fund and amounted to \$316,876 (2021 - \$339,066). Contributions totalling \$30,500 (2021 - \$30,416) were payable to the pension fund at the Statement of Financial Position date.

GEMCORP CAPITAL (SERVICES) LIMITED

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

18. Related party transactions

	2022	2021
	\$	\$
Gemcorp Commodities Trading SA - same ultimate beneficial owner		
Balance at year end	20,070	12,653
Expenses paid by the Company	7,417	41,789
Gemcorp Commodities Trading SA liability transferred with direction letter	-	(73,682)
 Gemcorp Holdings Limited - same ultimate beneficial owner		
Balance at year end	34,815	29,555
Cash settlements	-	(84,937)
Expenses paid by the Company	5,260	29,555
 Gemcorp Capital LLP - Company is corporate member		
Balance at year end	-	-
Recharged expenses	-	14,152,663
Amounts invested on behalf of members of the LLP	-	671,472
Expenses paid by the LLP	-	42,167
Expenses paid by the Company	-	(65,286)
Cash settlements	-	(13,543,545)
Amounts transferred to Gemcorp Capital Management Limited	-	(1,366,898)
 Gemcorp Commodities Trading Holdings Limited - an entity under common control		
Balance at year end	1,632	1,632
Expenses paid by the Company	-	(20,744)
 Gemcorp Commodities Global DMCC - same ultimate beneficial owner		
Balance at year end	(98,726)	1,989
Expenses paid by the Company	(2,702)	(10,284)
Cash settlements	(98,013)	-
 Gemcorp Commodities Trading (Services) Limited - an entity under common control		
Balance at year end	830,969	114,130
Expenses paid by the Company	(575,669)	389,383
Cash settlements	1,292,507	(555,217)

GEMCORP CAPITAL (SERVICES) LIMITED

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

18. Related party transactions (continued)

	2022	2021
	\$	\$
Gemcorp Capital Management Limited - an entity under common control		
Balance at year end	(600,037)	1,044,262
Recharged expenses	15,523,016	(34,333)
Expenses paid by the Company	(1,171,257)	1,148
Cash settlements	(15,996,059)	(172,196)
Amounts transferred from the LLP	-	1,249,642
 Gemcorp Employment Services - an entity under common control		
Balance at year end	13,176	-
Expenses paid by the Company	11,876	-
Cash settlements	1,299	-
 Gemcorp Capital (SA) Pty - an entity under common control		
Balance at year end	21,039	3,071
Expenses paid by the Company	17,968	3,070
 Gemcorp Cayman Limited - an entity under common control		
Balance at year end	(6,657,119)	(9,270,180)
Expenses paid by the Company	83,841	114,695
Loan offset	-	3,117,235
Cash settlements	2,529,219	(171,737)

19. Post balance sheet events

No matter or circumstance has arisen since 31 December 2022 that has significantly effected, or may significantly effect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

20. Controlling party

At 31 December 2022, the ultimate controlling party of the Company was Gemcorp Group Limited, Gemcorp Group Limited's registered address is 2nd Floor, The Le Gallais Building, 54 Bath Street, St Helier, Jersey, JE1 1FW.