

Limited Liability Partnership Registration No. OC356652 (England and Wales) (England and Wales)

AGFE LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



# AGFE LLP

## LIMITED LIABILITY PARTNERSHIP INFORMATION

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|                                             |                                                                          |
|---------------------------------------------|--------------------------------------------------------------------------|
| <b>Designated members</b>                   | AgFe Management Limited<br>Gudrun Steele                                 |
| <b>Limited liability partnership number</b> | OC356652 (England and Wales)                                             |
| <b>Registered office</b>                    | 55 Baker Street<br>London<br>W1U 8EW                                     |
| <b>Auditor</b>                              | BDO LLP<br>Chartered Accountants<br>55 Baker Street<br>London<br>W1U 7EU |

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# **AGFE LLP**

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# **AGFE LLP**

## **MEMBERS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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The members present their annual report and financial statements of AgFe LLP (the "LLP") for the year ended 31 March 2021.

#### **Principal activities**

The LLP is authorised by the Financial Conduct Authority as a collective portfolio management investment firm and conducts most of the regulated activities of the group of companies owned and controlled by AgFe Group Limited ("AGL"). It is the main revenue-generating entity of the companies owned and controlled by AGL (the "Group"). The LLP's corporate member is AgFe Management Limited (the "Corporate Member") and both entities are part of the Group.

#### **Members' drawings, contributions and repayments**

Individual members are permitted to make some drawings in anticipations of profits. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated revenue, costs and cash flows of the LLP. At the end of the financial year the LLP automatically allocates remaining profits to the Corporate Member or individual member unless the Corporate Member determines otherwise.

New Members are required to subscribe a minimum level of capital of £500, which is classified as a liability. On retirement, capital is repaid to members.

#### **Future developments**

The LLP will continue to focus on asset management, advisory and capital markets activities, particularly in relation to European private debt.

#### **Political and charitable donations**

No donations were made during the financial year to charitable or political groups (2020: £Nil).

#### **Principle risks and uncertainties**

The key business risks facing the LLP are generating sufficient revenue from advisory and asset management mandates and ensuring that the appropriate services are provided to the LLP's clients.

These risks are addressed via the active management of the LLP's efforts to win new mandates, a formal approval process for new mandates, and on-going oversight of work undertaken on mandates, to ensure that the LLP is able to provide appropriate services in accordance with each mandate.

The United Kingdom ("UK") ceased to be a member of the European Union ("EU") from 1 January 2021. The Group has reviewed potential risks to its business, and the ability of the LLP, with its current regulatory permissions, to be engaged by new EU based clients; however as the majority of the LLP's current clients are not EU based there should be no material impact on the LLP's current business and revenues nor impact its ability to continue as a going concern.

On 11 March 2020, the World Health Organisation declared the current Covid-19 outbreak as a pandemic. Governments' responses have led to an unprecedented shutdown of public life and economic activity around the globe. The operating entities within the Group have changed how they conduct their respective business, predominantly by all staff transitioning rapidly to working remotely and engaging with clients via video conferencing. The Group continues to manage engagements actively and without interruption and the members are satisfied that the pandemic has had minimal impact to date. The pandemic and a related decline in economic activities could impact the Group's potential future business in the event that the UK remains in recession for a prolonged period, in particular this would likely affect the Group's UK real estate business. However, as the pandemic starts to ease, it is not anticipated that it will have a material impact on the operating entities' current business and revenues nor impact its ability to continue as a going concern.

# **AGFE LLP**

## **MEMBERS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Members**

AgFe LLP had nine members as at 31 March 2021 (2020: nine) as follows:

AgFe Management Limited  
Gudrun Steele  
Richard Atterbury  
James Wright  
Stephen White  
Brent Williams  
Karl Essig  
Michele Bisceglia  
Xin Yu Zhang

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

AgFe Management Limited  
Gudrun Steele

#### **FCA pillar 3 and remuneration code disclosures**

In accordance with the rules of the Financial Conduct Authority, the Pillar 3 and FCA Remuneration Code disclosure of AgFe LLP is available at:

<https://www.agfe.com/assets/IFPRUPillar3.pdf>

#### **Auditor**

BDO LLP were appointed as auditor to the LLP and in accordance with section 485 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Statement of members' responsibilities**

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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. 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 judgements 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.

# AGFE LLP

## MEMBERS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### Statement of responsibilities (continued)

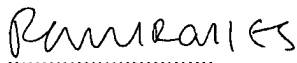
The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of 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.

### Statement of disclosure to auditor

Each of the members in office at the date of approval of this annual report confirms that:

- so far as the members are aware, there is no relevant audit information of which the LLP's auditor is unaware, and
- the members have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

Approved by the members on 13 July 2021 and signed on behalf by:



P D Rolles, representative of AgFe Management Limited (Designated Member)

# AGFE LLP

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGFE LLP

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### Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 31 March 2021 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of AgFe LLP ("the Limited Liability Partnership") for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Reconciliation of Members' Interests and the 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).

### Basis for opinion

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

### Independence

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

# **AGFE LLP**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AGFE LLP**

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### **Other information**

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

We have nothing to report in this regard.

### **Other Companies Act 2006 reporting as applied to limited liability partnerships**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Members**

As explained more fully in the Statement of Members' Responsibilities, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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



# AGFE LLP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AGFE LLP

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

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

- We obtained an understanding of the legal and regulatory framework applicable to the entity. We determined that the most significant regulations which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 applied to limited liability partnerships, as well as those resulting from being authorised by the Financial Conduct Authority to undertake regulated activities).
- We enquired of management to identify how the entity is complying with those legal and regulatory frameworks and whether there were any known instances of non-compliance, or any actual, suspected or alleged fraud. We corroborated our enquiries through review of the members meeting minutes.
- We assessed the risk of susceptibility of the entity's financial statements to material misstatement, including how fraud might occur and determined the principle risks related to revenue recognition.
- We considered the entity's control environment that has been established to prevent, detect and deter fraud, in particular in relation to the appropriateness of revenue recognition and accrued income.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments in the general ledger and evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business during the year and at the year end.
- We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and discussed how and where these might occur and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.


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

A further description of our responsibilities 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 Partnerships 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 members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Elizabeth Hooper (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

13 July 2021

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

## AGFE LLP

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

|                                                                                         |          | 2021             | 2020             |
|-----------------------------------------------------------------------------------------|----------|------------------|------------------|
|                                                                                         | Notes    | £                | £                |
| Turnover                                                                                | 3        | 8,093,414        | 7,325,981        |
| Administrative expenses                                                                 |          | (4,139,187)      | (3,997,853)      |
| <b>Operating profit</b>                                                                 | <b>4</b> | <b>3,954,227</b> | <b>3,328,128</b> |
| Interest expense                                                                        | 5        | (460)            | (633)            |
| <b>Profit for the financial year before members' remuneration and profit shares</b>     |          | <b>3,953,767</b> | <b>3,327,495</b> |
| Profit for the financial year before members' remuneration and profit shares            |          | 3,953,767        | 3,327,495        |
| Members' remuneration charged as an expense                                             |          | (3,953,767)      | (3,327,495)      |
| <b>Result for the financial year available for discretionary division among members</b> |          | <b>-</b>         | <b>-</b>         |

The LLP's results all relate to continuing operations.

All amounts due to members (drawings and profit allocation) are reported in the statement of comprehensive income as members remuneration charged as expense.

The notes on pages 11 to 17 form part of these financial statements.

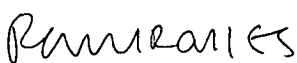
# AGFE LLP

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

|                                                                                     | Notes | 2021<br>£   | £         | 2020<br>£   | £         |
|-------------------------------------------------------------------------------------|-------|-------------|-----------|-------------|-----------|
| <b>Non-current assets</b>                                                           |       |             |           |             |           |
| Investments                                                                         | 6     |             | 52,501    |             | 52,501    |
| <b>Current assets</b>                                                               |       |             |           |             |           |
| Trade and other receivables                                                         | 8     | 2,928,227   |           | 1,720,488   |           |
| Cash and cash equivalents                                                           |       | 3,960,237   |           | 4,384,032   |           |
|                                                                                     |       | 6,888,464   |           | 6,104,520   |           |
| <b>Current liabilities</b>                                                          | 10    | (1,981,448) |           | (1,984,997) |           |
| <b>Net current assets</b>                                                           |       |             | 4,907,016 |             | 4,119,523 |
| <b>Total assets less current liabilities and net assets attributable to members</b> |       |             | 4,959,517 |             | 4,172,024 |
| <b>Represented by:</b>                                                              |       |             |           |             |           |
| <b>Loans and other debts due to members within one year</b>                         |       |             |           |             |           |
| Members' capital classified as a liability                                          |       |             | 4,000     |             | 4,000     |
| Other amounts                                                                       |       |             | 2,955,517 |             | 2,168,024 |
|                                                                                     |       |             | 2,959,517 |             | 2,172,024 |
| <b>Members' other interests</b>                                                     |       |             |           |             |           |
| Members' capital classified as equity                                               |       |             | 2,000,000 |             | 2,000,000 |
|                                                                                     |       |             | 4,959,517 |             | 4,172,024 |
| <b>Total members' interests</b>                                                     |       |             |           |             |           |
| Amounts due from members                                                            |       |             | -         |             | (1,205)   |
| Loans and other debts due to members                                                |       |             | 2,959,517 |             | 2,172,024 |
| Members' other interests                                                            |       |             | 2,000,000 |             | 2,000,000 |
|                                                                                     |       |             | 4,959,517 |             | 4,170,819 |

The financial statements were approved by the members and authorised for issue on 13 July 2021 and are signed on their behalf by:



P D Rolles, representative of AgFe Management Limited (Designated Member)  
Limited Liability Partnership Registration No. OC356652 (England and Wales)

The notes on pages 11 to 17 form part of the financial statements.

## AGFE LLP

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

#### Current financial year

|                                                                                  | EQUITY                                  |           | DEBT                                                                              |               |             | TOTAL              |
|----------------------------------------------------------------------------------|-----------------------------------------|-----------|-----------------------------------------------------------------------------------|---------------|-------------|--------------------|
|                                                                                  | Members' other interests                |           | Loans and other debts due to members less any amounts due from members in debtors |               |             | MEMBERS' INTERESTS |
|                                                                                  | Members' capital (classified as equity) | Total     | Members' capital (classified as debt)                                             | Other amounts | Total       | Total 2021         |
|                                                                                  | £                                       | £         | £                                                                                 | £             | £           | £                  |
| Amounts due to members                                                           |                                         |           |                                                                                   | 2,168,024     |             |                    |
| Amounts due from members                                                         |                                         |           |                                                                                   | (1,205)       |             |                    |
| Members' interests at 1 April 2020                                               | 2,000,000                               | 2,000,000 | 4,000                                                                             | 2,166,819     | 2,170,819   | 4,170,819          |
| Members' remuneration charged as an expense                                      | -                                       | -         | -                                                                                 | 3,953,767     | 3,953,767   | 3,953,767          |
| Result for the financial year available for discretionary division among members | -                                       | -         | -                                                                                 | -             | -           | -                  |
| Members' interests after profit and remuneration for the year                    | 2,000,000                               | 2,000,000 | 4,000                                                                             | 6,120,586     | 6,124,586   | 8,124,586          |
| Drawings                                                                         | -                                       | -         | -                                                                                 | (3,165,069)   | (3,165,069) | (3,165,069)        |
| Members' interests at 31 March 2021                                              | 2,000,000                               | 2,000,000 | 4,000                                                                             | 2,955,517     | 2,959,517   | 4,959,517          |

The notes on pages 11 to 17 form part of the financial statements.

## AGFE LLP

### RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### Prior financial year

|                                                                        | EQUITY                                  |           | DEBT                                                                              |               |             | TOTAL              |
|------------------------------------------------------------------------|-----------------------------------------|-----------|-----------------------------------------------------------------------------------|---------------|-------------|--------------------|
|                                                                        | Members' other interests                |           | Loans and other debts due to members less any amounts due from members in debtors |               |             | MEMBERS' INTERESTS |
|                                                                        | Members' capital (classified as equity) | Total     | Members' capital (classified as debt)                                             | Other amounts | Total       | Total 2020         |
|                                                                        | £                                       | £         | £                                                                                 | £             | £           | £                  |
| Amounts due to members                                                 |                                         |           |                                                                                   | 2,628,786     |             |                    |
| Amounts due from members                                               |                                         |           |                                                                                   | (1,350)       |             |                    |
| Members' interests at 1 April 2019                                     | 2,000,000                               | 2,000,000 | 3,500                                                                             | 2,627,436     | 2,630,936   | 4,630,936          |
| Members' remuneration charged as an expense                            | -                                       | -         | -                                                                                 | 3,327,495     | 3,327,495   | 3,327,495          |
| Result for the financial year for discretionary division among members | -                                       | -         | -                                                                                 | -             | -           | -                  |
| Members' interests after profit and remuneration for the year          | 2,000,000                               | 2,000,000 | 3,500                                                                             | 5,954,931     | 5,958,431   | 7,958,431          |
| Introduced by members                                                  | -                                       | -         | 1,000                                                                             | -             | 1,000       | 1,000              |
| Repayments of capital                                                  | -                                       | -         | (500)                                                                             | -             | (500)       | (500)              |
| Drawings                                                               | -                                       | -         | -                                                                                 | (3,788,257)   | (3,788,257) | (3,788,257)        |
| Other movements                                                        | -                                       | -         | -                                                                                 | 145           | 145         | 145                |
| Members' interests at 31 March 2020                                    | 2,000,000                               | 2,000,000 | 4,000                                                                             | 2,166,819     | 2,170,819   | 4,170,819          |
| Amounts due to members                                                 |                                         |           |                                                                                   | 2,168,024     |             |                    |
| Amounts due from members, included in debtors                          |                                         |           |                                                                                   | (1,205)       |             |                    |
|                                                                        |                                         |           |                                                                                   | 2,166,819     |             |                    |

In the event of a winding up, there is no protection afforded to unsecured creditors and therefore members' interest rank alongside the interest of unsecured creditors.

Members' other interests disclosed on page 8 of the financial statements is restricted for regulatory capital and hence not available for distribution to members without Corporate Member's consent.

# **AGFE LLP**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **1 Limited Liability Partnership information**

The LLP is authorised by the Financial Conduct Authority as a collective portfolio management investment firm. The LLP is incorporated in the United Kingdom and registered in England and Wales. The registered office is 55 Baker Street, London, W1U 8EW.

#### **2 Accounting policies**

##### **2.1 Accounting convention**

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pound sterling, which is the functional currency of the LLP. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The LLP is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this LLP, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The LLP has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures

The LLP has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the LLP as an individual entity and not about its group.

AgFe LLP is a wholly owned subsidiary of AgFe Group Limited and the results of AgFe LLP are included in the consolidated financial statements of AgFe Group Limited which are available from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

##### **2.2 Going concern**

The members are satisfied with the financial position of the LLP at the year end, having achieved a healthy profit during the year despite the uncertainty that has been created by the ongoing pandemic. The LLP has sufficient financial resources to ensure that liabilities are met as they fall due and the members do not anticipate any significant disruption to be caused should the pandemic be prolonged longer than expected.

Consequently, at the time of approving the financial statements, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. An assessment has been performed covering a period of at least 12 months from the date of the financial statements. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

# AGFE LLP

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

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### 2 Accounting policies

(Continued)

#### 2.3 Turnover

Turnover represents invoiced sales of services excluding value added tax provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. The LLP accrues income not yet invoiced where the LLP has demonstrably delivered services during the reporting year that would entitle the LLP to invoice the accrued income even if the mandate had been terminated on the statement of financial position date. No accrued income is recognised for mandates where the income is contingent on the LLP achieving performance measures that have not yet been attained as at the financial position date.

#### 2.4 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the profit or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 11 of FRS 102 Basic Financial Instruments. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP and has not yet been approved.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classified as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Individual members are permitted to make some drawings in anticipation of profits. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated revenue, costs and cash flows of the LLP. At the end of the financial year the LLP automatically allocates remaining profits to the Corporate Member or individual members unless the Corporate Member determines otherwise. Both drawings and profits are classified as "Members' remuneration charged as an expense" in the statement of comprehensive income. To the extent that they remain unpaid at the period end, they are shown as liabilities in the statement of financial position.

Other amounts applied to members are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the statement of financial position within 'Loans and other debts due to members' and are charged to the statement of comprehensive income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the statement of financial position within 'Members' capital classified as equity'.

#### 2.5 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

#### 2.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

# AGFE LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 2 Accounting policies

(Continued)

##### 2.7 Financial instruments

The LLP has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the LLP's statement of financial position when the LLP becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the LLP transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the LLP's obligations expire or are discharged or cancelled.

##### 2.8 Taxation

Income tax payable on the LLP's profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements. The LLP is not taxed as a corporate entity.



# AGFE LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 2 Accounting policies

(Continued)

#### 2.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are either reflected within administrative expenses or other operating income depending on whether the overall impact was negative or positive.

### 3 Turnover

An analysis of the limited liability partnership's revenue is as follows:

|                                               | 2021<br>£        | 2020<br>£        |
|-----------------------------------------------|------------------|------------------|
| <b>Turnover analysed by class of business</b> |                  |                  |
| Asset management                              | 2,910,259        | 2,736,126        |
| Financial advisory/ In-Place Asset Management | 5,183,155        | 4,589,855        |
|                                               | <u>8,093,414</u> | <u>7,325,981</u> |

### 4 Operating profit

|                                                                                   | 2021<br>£ | 2020<br>£ |
|-----------------------------------------------------------------------------------|-----------|-----------|
| Operating profit for the year is stated after charging:                           |           |           |
| Exchange losses                                                                   | 576       | 416       |
| Fees payable to the LLP's auditor for the audit of the LLP's financial statements | 29,725    | 32,361    |
| Fees payable to the LLP's auditor in relation to FCA CASS report                  | 3,485     | 3,412     |
| Fees payable to the LLP's auditor in relation to taxation compliance              | -         | 12,000    |
|                                                                                   | <u></u>   | <u></u>   |

The LLP has no employees (2020: none). The LLP relies on services provided to it by AgFe Management Limited in accordance with service agreements in place between the entities.

### 5 Interest expense

|                         | 2021<br>£    | 2020<br>£    |
|-------------------------|--------------|--------------|
| Bank charges            | (460)        | (633)        |
| <b>Interest expense</b> | <u>(460)</u> | <u>(633)</u> |

### 6 Fixed asset investments

|                              | Notes | 2021<br>£     | 2020<br>£     |
|------------------------------|-------|---------------|---------------|
| Shares in group undertakings | 7     | <u>52,501</u> | <u>52,501</u> |

The members believe that the carrying value of the investments are supported by their projections for the activity of the business in 2021/2022.

# AGFE LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7 Subsidiaries

| Name of undertaking       | Country of registered office | Carrying value | % Held | Nature of business          |
|---------------------------|------------------------------|----------------|--------|-----------------------------|
| AgFe Advisory Limited     | England and Wales            | 52,500         | 100    | Financial advisory services |
| Cobalt Rhenium GP Limited | England and Wales            | 1              | 100    | General partner services    |
| Cobalt Rhenium Two LLP    | England and Wales            | -              | -      | General partner services    |
| Cobalt Rhenium Three LP   | England and Wales            | -              | -      | General partner services    |

AgFe Advisory Limited and Cobalt Rhenium GP Limited are wholly-owned subsidiaries of AgFe LLP.

Cobalt Rhenium GP Limited is a designated member of Cobalt Rhenium Two LLP.

Cobalt Rhenium GP Limited and Cobalt Rhenium Two LLP are general partners of Cobalt Rhenium Three LP.

### 8 Trade and other receivables

|                                             | 2021<br>£        | 2020<br>£        |
|---------------------------------------------|------------------|------------------|
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade receivables                           | 1,262,479        | 369,571          |
| Amounts owed by group undertakings          | 903              | 7,627            |
| Other receivables                           | 30,094           | 31,977           |
| Prepayments and accrued income              | 1,634,751        | 1,310,108        |
|                                             | <u>2,928,227</u> | <u>1,719,283</u> |

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 9 Cash and cash equivalents

|                          | 2021<br>£        | 2020<br>£        |
|--------------------------|------------------|------------------|
| Cash in bank and in hand | 3,358,469        | 3,782,508        |
| Money Market Fund        | 601,768          | 601,524          |
|                          | <u>3,960,237</u> | <u>4,384,032</u> |

# AGFE LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 9 Cash and cash equivalents

(Continued)

AgFe LLP holds a deposit in a money market fund on behalf of a fellow group undertaking. The fund is regulated as a money market fund pursuant to the MMF Regulations and the investment objective is intended to comply with this classification by offering returns in line with money market rates and/or preserving the value of investment by investing in a diversified portfolio of high quality money market securities. Redemption requests received prior to a specified daily cut-off time on a dealing day are effected on that dealing day; redemption requests received after the specified daily cut-off time on a dealing day are effected on the following dealing day.

### 10 Current liabilities

|                                    | 2021<br>£        | 2020<br>£        |
|------------------------------------|------------------|------------------|
| Trade payables                     | 345              | 315              |
| Amounts owed to group undertakings | 1,551,768        | 1,775,143        |
| Other taxation and social security | 329,681          | 104,999          |
| Accruals and deferred income       | 99,654           | 104,540          |
|                                    | <u>1,981,448</u> | <u>1,984,997</u> |

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 11 Related party transactions

The LLP is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group. There have been no transactions with related parties outside AgFe Group that require disclosure.

### 12 Members' transactions

The average monthly number of members during the year was 9 (2020:10). The profit in respect of the highest paid member during the year was £764,767 (2020: £547,514).

### 13 Ultimate controlling party

The immediate parent Company is AgFe Management Limited.

The ultimate controlling party is P D Rolles.

AgFe Group Limited is the ultimate parent undertaking and is the largest and smallest group to consolidate these financial statements at 31 March 2021. The consolidated financial statements of AgFe Group Limited can be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

### 14 Events after the reporting date

The LLP does not have any non-adjusting events after the end of the reporting period that would result in disclosure.