

Limited Liability Partnership Registration No. OC346366 (England and Wales)

GATEMORE CAPITAL MANAGEMENT LLP

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



GATEMORE CAPITAL MANAGEMENT LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

L Meidar
Gatmore Capital Management LLC
G Cadbury
M Hodgson

Limited liability partnership number

OC346366

Registered office

33 Cavendish Square
London
W1G 0PW

Auditors

RSM UK Audit LLP
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Bankers

HSBC Bank Plc
West End Area Commercial Office 5th
Floor
70 Pall Mall
London
SW17 5EY

GATEMORE CAPITAL MANAGEMENT LLP

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GATEMORE CAPITAL MANAGEMENT LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The members present their report and consolidated financial statements for the year ended 31 December 2020.

Principal activities and review of the business

The principal activity of the limited liability partnership is that of investment management.

Gatmore Capital Management LLP ("Gatmore") is the investment manager of the Gatmore Special Opportunities Fund, a concentrated activist strategy focused on turnarounds, recoveries, and growth, primarily across small caps in the UK and US. Gatmore also manages related special purpose and co-investment vehicles.

During the year Gatmore sold the investment advisory business to Ormonde Partners Ltd, in order to focus on its core activist strategy. The transfer was completed on the 15 of December 2020.

Designated members

The following designated members have held office since 1 January 2020:

L Meidar
G Cadbury
M Hodgson
Gatmore Capital Management LLC

Policy on members' drawings and capital

The members' drawing policy allows each member to draw a proportion of their profit share during the financial year, taking into account the need to maintain regulatory capital, going concern requirements, and other needs of the business.

A member's capital requirement is linked to their Deed of Adherence and the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the members are repaid their capital at "par".

The amount owed to the members during the year in relation to the year is £6,174,305 (2019: £1,732,369).

Policy on allocation of profits

The members agree that the profits of the LLP shall be charged as a members' expense and distributed in line with the LLP agreement.

Statement as to disclosure of information to the auditor

The members have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the members have confirmed that they 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 it has been communicated to the auditor.

Auditor

The auditor, RSM UK Audit LLP has indicated its willingness to continue in office.

GATEMORE CAPITAL MANAGEMENT LLP

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of members' responsibilities

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

Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under the 2008 Regulations, 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 group and the limited liability partnership and of the profit or loss of the partnership for that year.

In preparing those financial statements, the members are required to:

- a. Select suitable accounting policies and then apply them consistently;
- b. Make judgements and accounting estimates that are reasonable and prudent;
- c. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the limited liability partnership will continue in business.

Under the 2008 Regulations the members are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and to enable them to ensure that the financial statements comply with the requirements of those Regulations. They are also responsible for safeguarding the assets of the group and the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

These responsibilities are exercised by the designated members on behalf of the members.

In response to the COVID-19 virus, the UK introduced social distancing measures during 2020 which resulted in the Company closing its office and moving all operations to work remotely. Having developed a robust business continuity plan that had been tested at least annually, and many staff already occasionally working from home, the Company was able to uphold the highest standards of service, security and transparency as it continued to manage customers' investments.

On behalf of the members



L Meidar
Designated member

Date: 16/09/2021

GATEMORE CAPITAL MANAGEMENT LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GATEMORE CAPITAL MANAGEMENT LLP

Opinion

We have audited the financial statements of Gatemore Capital Management LLP (the 'parent limited liability partnership') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and LLP Statement of Financial Position, Consolidated and LLP Statement of Members' Interests, Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 state of the group's and parent limited liability partnership's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

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 group and parent limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 group's and parent 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.

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 members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

GATEMORE CAPITAL MANAGEMENT LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GATEMORE CAPITAL MANAGEMENT LLP

Matters on which we are required to report by exception

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

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

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement set out on page 2, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the group's and parent limited liability 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 group or parent limited liability 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent limited liability partnership operate in and how the group and parent limited liability partnership is complying with the legal and regulatory framework;

GATEMORE CAPITAL MANAGEMENT LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GATEMORE CAPITAL MANAGEMENT LLP

- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud having obtained an understanding of the effectiveness of the control environment.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and the LLP SORP 2018. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

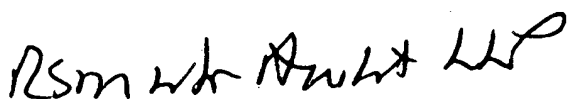
The most significant laws and regulations that have an indirect impact on the financial statements are the rules and principles set by the Financial Conduct Authority (FCA) as regulator for the financial services industry in the UK. We performed audit procedures to inquire of management whether the company is in compliance with these laws and regulations. We inspected compliance documentation, including but not limited to, internal procedures' manuals, risk and breaches registers, regulatory returns and correspondence with the FCA as well as considering compliance with the conditions for authorization and other regulatory obligations.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business including the disposal of part of the group.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.



DAVID FENTON (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
Date: 16/9/2021

GATEMORE CAPITAL MANAGEMENT LLP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020			2019		Total
		Continuing Operations	Discontinued Operations	Total	Continuing Operations (As restated)	Discontinued Operations (As restated)	
		£	£	£	£	£	£
Turnover	1	7,529,289	926,648	8,455,937	2,272,814	1,537,151	3,809,965
Cost of sales		(429,483)	(210,588)	(640,071)	(287,888)	(291,148)	(579,036)
Gross profit		7,099,806	716,060	7,815,866	1,984,926	1,246,003	3,230,929
Administrative expenses		(1,528,776)	(290,384)	(1,819,160)	(1,415,023)	(368,306)	(1,783,329)
Operating profit	2	5,571,030	425,676	5,996,706	569,903	877,697	1,447,600
Interest receivable and similar income	3	359,037	-	359,037	349,814	-	349,814
Other expenses		(74,427)	(12,545)	(86,972)	142	(142)	-
Tax expense	4	(12,613)	(580)	(13,193)	-	(5,231)	(5,231)
Profit for the financial year before members' remuneration & profit shares		5,843,027	412,551	6,255,578	919,859	872,324	1,792,183
Members' remuneration charged as an expense		(6,174,305)	-	(6,174,305)	(1,732,369)	-	(1,732,369)
Profit for the year attributable to Non-controlling interests		(40,636)	-	(40,636)	(24,340)	-	(24,340)
Profit/(Loss) for the financial year available for discretionary division among members and total comprehensive income		(371,914)	412,551	40,637	(836,850)	872,324	35,474
Total comprehensive income		(371,914)	412,551	40,637	(836,850)	872,324	35,474

The profit for the year arises from the partnership's continuing operations.

GATEMORE CAPITAL MANAGEMENT LLP

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

		Group		LLP	
	Notes	2020	2019	2020	2019
		£	£	£	£
Fixed assets					
Tangible assets	7	35,302	134,738	35,302	134,738
Investments in Subsidiaries	8	-	-	36	45,349
Current assets					
Debtors due within on year	9	6,581,213	2,167,688	6,548,166	2,154,515
Cash at bank and in hand	10	786,364	573,220	771,132	328,603
		7,367,577	2,740,908	7,319,298	2,483,118
Creditors: amounts falling due within one year	12	(1,024,749)	(872,487)	(1,001,680)	(731,755)
Net current assets		6,342,828	1,868,421	6,317,618	1,751,363
Net assets attributable to members		6,378,130	2,003,159	6,352,956	1,931,450
Represented by:					
Loans and other debts due to members		5,260,309	838,803	5,260,309	838,803
Members' other interests:					
Other reserves classified as equity		(737,553)	(674,723)	(722,054)	(722,054)
Members' capital		1,814,701	1,814,701	1,814,701	1,814,701
Total members' other interests		6,337,457	1,978,781	6,352,956	1,931,450
Non-controlling Interests		40,673	24,378	-	-
Total members' other interests incl. NCI		6,378,130	2,003,159	6,352,956	1,931,450
Total members' interests					
Loans and other debts due to members		5,260,309	838,803	5,260,309	838,803
Members' other interests		1,077,148	1,139,978	1,092,647	1,092,647
Total members' interests		6,337,457	1,978,781	6,352,956	1,931,450

The Company is exempt under Section 408 of Companies Act 2006 from disclosing its own Statement of Comprehensive Income. The profit of the LLP for the year was £6,174,305 (2019 Profit: £1,732,369).

The financial statements on pages 6 to 23 were approved by the members and authorised for issue on **16/09/2021** and are signed on their behalf by:



L Meidar

Designated member

Limited Liability Partnership Registration No. OC346366 (England and Wales)

GATEMORE CAPITAL MANAGEMENT LLP

CONSOLIDATED STATEMENT OF MEMBERS' INTERESTS FOR THE YEAR ENDED 31 DECEMBER 2020

	Members' Other Interests			Loans and other debts due to members less any amounts due from members in debtors	Total 2020
	Members' Capital (classified as equity)	Other Reserves	Total		
	£	£	£		
Amounts due to members				838,803	
Members' interests as at 1 January 2020	1,814,701	(674,723)	1,139,978	838,803	1,978,781
Profit/(Loss) for the financial year available for discretionary division among members	-	40,637	40,637	-	40,637
Members remuneration charged as an expense	-	-	-	6,174,305	6,174,305
Members' interests after profit for the year	1,814,701	(634,086)	1,180,615	7,013,108	8,193,723
Introduced by members	-	-	-	-	-
Drawings	-	(103,467)	(103,467)	(1,752,799)	(1,856,266)
Members' interests at 31 December 2020	1,814,701	(737,553)	1,077,148	5,260,309	6,337,457
Amounts due to members				5,260,309	

Statement of Changes in Equity

	Members Capital	Other Reserves	Non-controlling Interest	Total
	£	£	£	£
B/forward balance as at 1st January 2020	1,814,701	(674,723)	24,340	1,164,318
Comprehensive Income for the year				
Profit	-	40,637	40,636	81,273
Drawings	-	(103,467)	-	(103,467)
C/forward balance as at 31st December 2020	1,814,701	(737,553)	64,976	1,142,124

GATEMORE CAPITAL MANAGEMENT LLP

CONSOLIDATED STATEMENT OF MEMBERS' INTERESTS FOR THE YEAR ENDED 31 DECEMBER 2019

	Members' Other Interests			Loans and other debts due to members less any amounts due from members in debtors	Total
	Members' Capital (classified as equity)	Other Reserves	Total		
	£	£	£		
Amounts due to members				(210,765)	
Members' interests as at 1 January 2019	1,814,701	(710,197)	1,104,504	(210,765)	893,739
Profit/(Loss) for the financial year available for discretionary division among members	-	35,474	35,474	-	35,474
Members remuneration charged as an expense	-	-	-	1,732,369	1,732,369
Members' interests after profit for the year	1,814,701	(674,723)	1,139,978	1,521,604	2,661,582
Drawings	-	-	-	(682,801)	(682,801)
Members' interests at 31 December 2019	1,814,701	(674,723)	1,139,978	838,803	1,978,781
Amounts due to members				838,803	

Statement of Changes in Equity

	Members Capital	Other Reserves	Non-controlling Interest	Total
	£	£	£	£
B/forward balance as at 1st January 2019	1,814,701	(710,197)	-	1,104,504
Comprehensive income for the year				
Profit	-	35,474	24,340	59,814
C/forward balance as at 31st December 2019	1,814,701	(674,723)	24,340	1,164,318

GATEMORE CAPITAL MANAGEMENT LLP

LLP STATEMENT OF MEMBERS' INTERESTS FOR THE YEAR ENDED 31 DECEMBER 2020

	Members' Other Interests			Loans and other debts due to members less any amounts due from members in debtors	Total 2020
	Members' Capital (classified as equity)	Other Reserves	Total		
	£	£	£	£	£
Amounts due to members				838,803	
Members' interests as at 1 January 2020	1,814,701	(722,054)	1,092,647	838,803	1,931,450
Profit/(Loss) for the financial year available for discretionary division among members	-	-	-	6,174,305	6,174,305
Members' interests after profit for the year	1,814,701	(722,054)	1,092,647	7,013,108	8,105,755
Introduced by members	-	-	-	-	-
Other divisions of profits	-	-	-	-	-
Drawings	-	-	-	(1,752,799)	(1,752,799)
Members' interests at 31 December 2020	1,814,701	(722,054)	1,092,647	5,260,309	6,352,956
Amounts due to members				5,260,309	

GATEMORE CAPITAL MANAGEMENT LLP

LLP STATEMENT OF MEMBERS' INTERESTS FOR THE YEAR ENDED 31 DECEMBER 2019

	Members' Other Interests			Loans and other debts due to members less any amounts due from members in debtors	
	Members' Capital (classified as equity)	Other Reserves	Total		Total
	£	£	£	£	£
Amounts due to members				(210,765)	
Members' interests as at 1 January 2019	1,814,701	(722,054)	1,092,647	(210,765)	881,882
Profit/(Loss) for the financial year available for discretionary division among members	-	-	-	-	-
Members remuneration charged as an expense	-	-	-	1,732,369	1,732,369
Members' interests after profit for the year	1,814,701	(722,054)	1,092,647	1,521,604	2,614,251
Drawings	-	-	-	(682,801)	(682,801)
Members' interests at 31 December 2019	1,814,701	(722,054)	1,092,647	838,803	1,931,450
Amounts due to members				838,803	

GATEMORE CAPITAL MANAGEMENT LLP

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Operating Activities:			
Transactions with non-members:			
Cash generated from operations	11	2,123,117	852,330
Net cash from operating activities		2,123,117	852,330
Investing Activities:			
Fixed Asset Investment	8	(35,829)	(3,941)
Investment in Subsidiaries		(12,617)	
Interest Received		6,464	311
Net cash provided by investing activities		(41,982)	(3,630)
Financing Activities:			
Capital Introduced		-	-
Partner Drawings		(1,856,266)	(682,801)
Net cash provided by investing activities		(1,856,266)	(682,801)
Net cash increase/(decrease) for period		224,869	165,899
Cash at beginning of period (1/1/2020)		573,220	407,321
Effect of Exchange Rate on cash and cash equivalents		(11,725)	
Cash at end of period		786,364	573,220

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

General information

Gatmore Capital Management LLP has prepared financial statements covering the individual entity's results for the year to 31 December 2020.

Gatmore Capital Management LLP is a Limited Liability Partnership and is incorporated and registered in Great Britain. The address of Gatmore Capital Management LLP's registered office is presented on the Members and Administrative Information page of these financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (published December 2018).

Monetary amounts in these financial statements are rounded to the nearest whole pound, except where otherwise indicated.

Basis of Consolidation

The consolidated financial statements for the year ended 31 December 2020 comprise of the LLP and its subsidiaries, all of which are made up to the end of the LLP's financial year. A separate income statement has not been presented in accordance with section 408 of the Companies' Act 2006.

The non-controlling interest in Gatmore Ventures LLC is recognised at the non-controlling interest's share of Gatmore Ventures LLC's net identifiable assets, liabilities and provisions for contingent liabilities recognised at the acquisition date.

All subsidiaries identified in note 8 have been included in the consolidation.

Going concern

The partners have prepared the financial statements on a going concern basis. They have carried out a detailed review of the trading position and cash flow projections for the foreseeable future, including stress testing of the business considering ongoing uncertainty created by the COVID-19 virus. There was no significant impact of COVID-19 in 2020. The assessments reflect the potential risks faced by the group and the limited liability partnership in the 2021 and 2022. No scenario where the LLP was stressed resulted in an inability to meet its medium-term cash requirements. The partners are confident that sufficient financial resources will be available to enable the LLP to meet the cash requirements as set out in the relevant projections. The managing partner has also provided a letter showing confirmation of financial support, if required.

Functional and presentational currencies

The financial statements are presented in Sterling which is also the functional currency of the LLP.

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Turnover

Turnover represents the fair value of investment advisory services provided during the period to clients. Turnover is recognised as contract activity progresses and the right to consideration is earned. Fair value reflects the amount expected to be recoverable from clients and is based on services provided and expenses incurred, but excludes VAT.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Taxation

The taxation payable on the partnership profits is solely the personal liability of the individual members and consequently neither partnership taxation nor related deferred taxation arising in respect of the partnership are accounted for in these financial statements.

Any tax amount included within the Consolidated statement of comprehensive income relates to corporation tax payable by subsidiaries to the Partnership.

Financial assets

Basic financial assets, which include trade and other receivables and cash balances are measured at transaction price less any impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

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, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the reporting date.

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the LLP's obligations are discharged, cancelled, or they expire.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or are capitalised as an intangible fixed asset or a tangible fixed asset.

The limited liability partnership operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold land and buildings	Over the term of the lease
Computer equipment	33% per annum on a straight-line basis
Fixtures and fittings	10% per annum on a straight-line basis

Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

Members' participation rights

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 earnings 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 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

In 2019 the LLP agreement was updated and profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment and the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense and presented as members remuneration charged as an expense in arriving at the result for the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities.

Critical accounting judgments

Judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The LLP makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of assets

Financial and non-financial assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. The principle judgements exercised in these financial statements relate to the carrying values and useful lives of tangible fixed assets.

GATEMORE CAPITAL MANAGEMENT LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Turnover

The total turnover of the Group and the limited liability partnership can be split as follows:

	Group		LLP	
	2020	2019	2020	2019
	£	£	£	£
Turnover by Geographic Region:				
United Kingdom	372,462	1,103,374	372,462	1,103,374
Channel Islands	28,275	1,968,253	28,275	1,968,253
Cayman Islands	6,370,838	-	6,370,838	-
Ireland	516,411	662,669	516,411	662,669
United States of America	1,167,951	75,669	1,050,630	-
	<u>8,455,937</u>	<u>3,809,965</u>	<u>8,338,616</u>	<u>3,734,296</u>

2 Operating Profit

	2020	2019
	£	£
Operating profit is stated after charging (Group and LLP)		
Depreciation of tangible assets	135,266	32,227
Loss on foreign exchange transactions	(3,165)	15,558
Operating lease rentals:		
Other assets	146,516	198,940

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:

	2020	2019
	£	£
Audit services - statutory audit of the LLP	27,000	22,500
Tax Compliance	16,530	7,700
Tax advisory	28,903	-
Other services	27,000	47,300
	<u>99,433</u>	<u>77,500</u>

3 Investment Income

	2020	2019
	£	£
Gatmore Capital LLC Management Fee	299,172	349,503
Income from Investments	53,401	-
Interest Receivable	6,464	311
	<u>359,037</u>	<u>349,814</u>

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Taxation

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date. The split of tax across the group can be seen as follows:

	2020	2019
	£	£
Gatemoire Capital Management LLP	12,613	-
Gatemoire Capital Management SARL	580	5,231
Gatemoire Europe Limited	-	-
Gatemoire Ventures LLC	-	-
	<u>13,193</u>	<u>5,231</u>

5 Employees

	2020	2019
	No.	No.
The average number of persons employed by the Group during the year was as follows:		
Office and management	9	10
Office and management (Paris)	1	1
	<u>10</u>	<u>11</u>

	2020	2019
	£	£
Staff costs for the above persons (including bonus):		
Salaries and Bonuses	1,091,142	825,809
Social security costs (members and employees)	335,328	289,846
Other pension costs (defined contribution schemes)	63,525	62,541
	<u>1,489,995</u>	<u>1,178,196</u>

6 Members Remuneration

	2020	2019
	No.	No.
The average number of members during the year was	<u>4</u>	<u>4</u>

Remuneration attributable to the highest paid member was £4,484,747 (2019: £920,945)

The profits of the LLP in respect of each financial year are allocated and distributed, after taking into account the LLP's working capital and regulatory requirements. Profits are divided among the members in accordance with profit sharing arrangements.

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Tangible Fixed Assets

GBP	Leasehold	Computer Equipment	Furniture & Fittings	Total
Cost				
As at 1 January 2020	136,769	62,185	97,158	296,112
Additions	-	11,811	24,019	35,830
Disposals	(136,769)	(43,650)	(97,158)	(277,577)
At 31 December 2020	-	30,346	24,019	54,365
Depreciation				
As at 1 January 2020	64,907	52,215	44,252	161,374
Charge for the year	71,862	8,172	55,232	135,266
Disposals	(136,769)	(43,650)	(97,158)	(277,577)
At 31 December 2020	0	16,737	2,326	19,063
Net Book Value as at 31/12/20	(0)	13,609	21,693	35,302
Net Book Value as at 31/12/19	71,862	9,970	52,906	134,738

8 Investments

In the opinion of the members the aggregate value of the LLP investment in group undertakings is not less than the amount included in the Statement of Financial Position.

The LLP has the following investments in group undertakings:

Name	Address	Country of Incorporation	Activity	Proportion of Capital Held
Gatemore Ventures LLC	12 Timber Creek Lane, Newark, DE 19711	USA	Investment Manager	50%

The aggregate amount of investments in the financial year was as follows:

Name	LLP 2020	LLP 2019
Subsidiary undertaking	36	45,349
	36	45,349

During the year the value of the LLP investments was reduced by £45,313 as a result of liquidation of Gatemore Partners G.P. Ltd, disposal of Gatemore Capital Management SARL and PrimeGrove Europe Limited.

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Debtors - Amounts due within one year

	Group		Gatemoore LLP	
	2020	2019	2020	2019
	£	£	£	
Trade Debtors	326,959	108,457	326,959	108,457
Other Debtors	85,961	196,520	52,877	188,496
Taxes and social security costs	67,676	52	67,676	51
Prepayments and Accrued Income	6,100,617	1,862,659	6,100,654	1,857,511
	<u>6,581,213</u>	<u>2,167,688</u>	<u>6,548,166</u>	<u>2,154,515</u>

10 Cash at bank and in hand

At 31 December 2020 cash at bank balances include £14,500 (2019 - £14,500) of cash deposits held under a card facility agreement with the bank where the limited liability partnership has no right to withdraw funds.

11 Cash used in operations

	2020	2019
	£	£
Profit before members' remuneration	6,255,578	1,792,183
Adjustments for:		
Fixed Asset Depreciation	23,849	32,227
Interest receivable	(6,464)	(273)
(Profit)/Loss on disposal of fixed assets	111,417	
Operating cash flows before movements in working cap	6,384,380	1,824,137
(Increase) in trade and other debtors	(4,413,525)	(1,203,724)
Increase in trade and other creditors	152,262	231,917
Cash used in operations	2,123,117	852,330

12 Creditors: amounts falling due within one year

	Group		Gatemoore LLP	
	2020	2019	2020	2019
	£	£	£	£
Trade Creditors	49,657	63,535	49,320	35,045
Taxes and social security costs	314,717	-	314,717	-
Accruals and deferred Income	660,375	808,952	637,643	696,710
	<u>1,024,749</u>	<u>872,487</u>	<u>1,001,680</u>	<u>731,755</u>

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Retirement benefits: Defined contribution scheme

The limited liability partnership contributes to personal pension schemes of certain individual employees. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund. The pension cost charge represents contributions payable by the limited liability partnership to the fund.

	2020	2019
	£	£
Contributions payable by the limited liability partnership for the year	30,444	30,777
Contributions payable to the fund at the year end and included in creditors	-	-

14 Members' interests

	2020	2019
	£	£
Amounts owed to members in respect of profits	7,013,106	1,581,418

Members' capital may be repaid to leaving members subject to the condition within the LLP Agreement, that following such payment the total members' capital remains greater than the LLP's FCA financial resources requirement at the relevant time and with the consent of the Managing Member.

Members' interests rank after unsecured creditors. Loans and other debtors due to Members rank pari passu with unsecured creditors in the event of a winding up.

Loans and debts due to members rank after secured creditors.

15 Discontinued operations

On 15th of December 2020 the group disposed of Gatemore Capital Management LLP investment advisory business and two subsidiaries: Gatemore Europe Limited and Gatemore Capital Management SARL. The sale was made to Ormonde Partners Limited which during year 2020 was a related party. The loss on disposal was £ 7,330. This was calculated as follows:

Trade and other Debtors	2,625
Cash and Cash Equivalent	26,708
Total assets of the disposal group	29,333
Trade and other payables	10,129
Current tax creditors	11,874
Total liabilities associated with the disposal group	22,003
Net assets of the disposal group	7,330
Loss on disposal	7,330

The economic benefit of the discontinued operation was transferred on the 1 of October 2020, LLP recognised £74,977 loss of income up to the date of disposal.

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Financial commitments

At 31 December 2020 the limited liability partnership was committed to making the following payments under non-cancellable operating leases in the year 31 December 2020:

	Land & buildings	
	2020	2019
	£	£
Operating leases which expire:		
Within one year	112,667	140,037
Between two and five years	-	-
	<u>112,667</u>	<u>140,037</u>

17 Controlling Party

The LLP is controlled by the managing member Gatemore Capital Management LLC an entity incorporated in the United States of America. Gatemore Capital Management LLC is the largest group which prepares consolidated financial statements which include the results of Gatemore Capital Management LLP. The consolidated financial statements of Gatemore Capital Management LLC are not publicly available.

18 Subsidiary undertaking

Gatemore LLP has a Joint Venture and holds a 50% share of Gatemore Ventures LLC, a US domiciled company.

During the year, the LLP liquidated Gatemore Partners GP Ltd, an entity incorporated in Guernsey and launched Gatemore Special Opportunities Fund, a Master-Feeder fund vehicle domiciled in Cayman Islands. The LLP also sold Gatemore Europe Ltd, a UK based holding company and Gatemore Capital Management SARL, a French operating company, to Ormonde Partners Limited.

19 Related party transactions

During the year, Gatemore Capital Management LLC provided no additional capital to the LLP (2019: nil). The following related party transactions occurred during the year:

Related party	Mngmnt fee	Accrued Fees	Exp Recharged	Debtor	Total
Gatemore Multi Asset Fund	454,236		67,839		522,075
Gatemore Capital Management SARL	(118,909)				(118,909)
Gatemore Capital Management LLC	299,172				299,172
Gatemore Special Opportunities Fund Ltd.	984,500	5,348,258	329,730	(197,323)	6,465,165
GSE Worldwide, Inc. USD	137,132	45,720	18,549	(91,441)	109,960
Gatemore Ventures, LLC	37,416		10,436		47,852
Ormonde Partners Limited			507,024		507,024
Total	1,793,547	5,393,978	933,578	(288,764)	7,832,339

Outstanding fees will be paid in line with agreed payments terms.

Any outstanding items (revenue for Gatemore entities) will be invoiced in 2021.

In addition Gatemore Europe Limited returned Capital Injection of £44,702.

GATEMORE CAPITAL MANAGEMENT LLP

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Remuneration of Key Management Personnel

The remuneration of key management personal as determined by the designated members, is as follows:

	2020	2019
	£	£
Aggregate compensation	<u>854,408</u>	<u>584,339</u>

21 Pillar 3 Disclosure

The Under the requirements of Pillar 3, the Company is required to disclose regulatory capital information, and has done so by marking disclosure available on the Company's website at <https://gatemore.com/legal/>.

22 Post Balance Sheet Events

There are no post balance sheet events.

**GATEMORE CAPITAL MANAGEMENT LLP MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

These pages do not form part of the statutory financial statements

GATEMORE CAPITAL MANAGEMENT LLP

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

These pages do not form part of the statutory financial statements

	2020		2019	
	£	£	£	£
Turnover				
Sales		8,338,617		3,734,296
Cost of sales				
Wages and salaries (excl. N.I.)	350,731		318,568	
Employer's N.I. contributions	226,820		188,545	
Staff pension scheme costs	38,558		36,849	
Consultancy	960		(2,218)	
Legal and professional fees	23,003		37,293	
		<u>(640,072)</u>		<u>(579,037)</u>
Gross profit	92%	7,698,545	84%	3,155,259
Administrative expenses		<u>(1,652,184)</u>		<u>(1,592,003)</u>
Operating profit		6,046,361		1,563,256
Other interest receivable and similar income				
Proceeds from Fixed Asset Disposals		-		-
Bank interest received		6,464		311
Other Income		352,573		349,503
Other interest paid and similar expenses				
Other		<u>(218,481)</u>		<u>(180,701)</u>
Profit before taxation	74%	<u>6,186,918</u>	46%	<u>1,732,369</u>

GATEMORE CAPITAL MANAGEMENT LLP

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2020

These pages do not form part of the statutory financial statements

	2020		2019	
	£	£	£	£
Administrative expenses				
Wages and salaries		602,356		366,025
Employer's N.I. contributions		150,313		136,529
Staff pension costs		16,525		15,792
Other staff costs		47,168		126,322
Business Rates		60,674		90,954
Cleaning Services		7,001		6,567
Electricity		2,217		1,924
Office maintenance & repairs		(35,378)		10,179
Office Rent		146,516		198,940
Services Charge		34,349		40,296
Insurance		28,262		31,853
Travel & Subsistence		41,373		83,423
Telephone, Internet & Comms		20,901		22,507
IT Support & License Costs		64,781		56,748
Legal, Professional & Compliance Costs		112,354		93,500
Audit Fees		55,903		27,300
Non-Audit Fees		66,237		74,739
Sales & Marketing		12,193		93,430
Entertaining		19,069		23,693
Other General Office Supplies		13,396		759
Printing, Postage & Stationery		6,598		8,076
Exchange Gain/Loss		(3,165)		15,588
Gifts & Charitable Donations		2,232		1,160
Bank Service Charge		1,717		3,204
Subscriptions		42,766		30,267
Computer Equipment Depreciation		8,172		7,972
Furniture Depreciation		55,793		10,347
Leasehold Depreciation		71,861		13,909
		<u>1,652,184</u>		<u>1,592,003</u>
