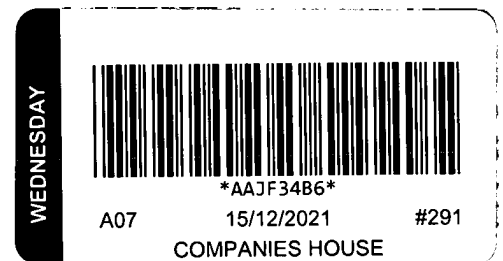


Registered number: OC394221

# Sand Grove Capital Management LLP

Report And Financial Statements

*31 March 2021*



## **Sand Grove Capital Management LLP**

### **INFORMATION**

#### **Designated Members**

S Davies  
Sand Grove Capital Intermediate Ltd

#### **LLP registered number**

OC394221

#### **Registered office**

4th Floor  
35 Dover Street  
London  
W1S 4NQ

#### **Independent auditors**

Blick Rothenberg Audit LLP  
16 Great Queen Street  
London  
WC2B 5AH

#### **Bankers**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

## **Sand Grove Capital Management LLP**

### **MEMBERS' REPORT**

**For the Year Ended 31 March 2021**

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

#### **Principal activities**

The principal activity of the LLP is the provision of investment advisory services. The LLP is authorised and regulated by the Financial Conduct Authority ('FCA').

#### **Pillar III disclosures**

The firm has documented the disclosures required by the FCA under BIPRU 11. These are available at [www.pillar3.eu](http://www.pillar3.eu).

#### **Designated members**

S Davies and Sand Grove Capital Intermediate Ltd were designated members of the LLP throughout the year.

#### **Members' capital and interests**

Members share profits and losses in accordance with profit sharing arrangements. Members are permitted to make drawings in anticipation of profits which will be allocated to them.

Members' capital of £550,000 is not repayable except where allowed under FCA rules. A further £35,000 of members' capital is repayable to members on their retirement from the LLP. The amount of capital and drawings is determined by the regulatory capital requirements of the FCA and any trading needs of the LLP.

#### **Members' responsibilities statement**

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 (United Kingdom Accounting Standards and applicable law). Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the

**Sand Grove Capital Management LLP**

**MEMBERS' REPORT (CONTINUED)**  
**For the Year Ended 31 March 2021**

prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

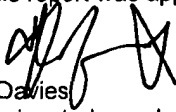
Each of the persons who are members at the time when this members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

**Auditors**

The auditors, Blick Rothenberg Audit LLP, have indicated their willingness to continue in office. The Designated members will propose a motion re-appointing the auditors at a meeting of the members.

This report was approved by the members on 19 July 2021 and signed on their behalf by:

  
S Davies  
Designated member

## **Sand Grove Capital Management LLP**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAND GROVE CAPITAL MANAGEMENT LLP**

#### **Opinion**

We have audited the financial statements of Sand Grove Capital Management LLP (the 'LLP') for the year ended 31 March 2021, which comprise the statement of comprehensive income, the balance sheet, the statement of cash flows, the reconciliation of members' interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

#### **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 auditors report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

## **Sand Grove Capital Management LLP**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAND GROVE CAPITAL MANAGEMENT LLP (CONTINUED)**

#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of members**

As explained more fully in the members' responsibilities statement set out on page 1, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditors' responsibilities for the audit of the financial statements**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, and non-compliance with laws and regulations, our procedures included the following: enquiring of management concerning the LLP's policies with regards identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; enquiring of management concerning the LLP's policies detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; enquiring of management concerning the LLP's policies in relation to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations; discussing among the engagement team where fraud might occur in the financial statements and any potential indicators of fraud; and obtaining an understanding of the legal and regulatory framework that the LLP operates in and focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the LLP. The key laws and regulations we considered in this context included the UK Companies Act 2006, as applied to limited liability partnerships, the Financial Services and Markets Act 2000 and applicable tax legislation.

One particular focus area was the risk of fraud through management override of controls. Our procedures to respond to risks identified included the following: performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; reviewing the bank statements of the LLP for evidence of any large or unusual activity which may be indicative of fraud; enquiring of management in relation to any potential litigation and claims; and testing the appropriateness of journal entries and other adjustments.

## **Sand Grove Capital Management LLP**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAND GROVE CAPITAL MANAGEMENT LLP (CONTINUED)**

Another focus area was non-compliance with the rules of the Financial Conduct Authority ('the FCA'). The LLP was authorised and regulated by the FCA throughout the period. Our procedures to respond to risks identified included the following: reviewing correspondence between the LLP and the FCA, performing analytical review to detect receipts of client money and remaining alert to the possibility of accidental receipt of client monies; and discussion of regulatory matters with the appointed officers of the LLP.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the members and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### **Use of our report**

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Scott (Senior statutory auditor)

for and on behalf of

**Blick Rothenberg Audit LLP**

16 Great Queen Street

London

WC2B 5AH

Date: 19 July 2021

**Sand Grove Capital Management LLP**

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the Year Ended 31 March 2021**

	Note	2021 £	2020 £
<b>Turnover</b>	2	<b>26,943,920</b>	19,710,298
Administrative expenses		(2,511,470)	(2,729,806)
		<u>                    </u>	<u>                    </u>
<b>Operating profit</b>	3	<b>24,432,450</b>	16,980,492
Interest receivable and similar income		351	1,524
		<u>                    </u>	<u>                    </u>
<b>Profit for the year before members' remuneration and profit shares</b>		<b>24,432,801</b>	16,982,016
		<u>                    </u>	<u>                    </u>
Profit for the year before members' remuneration and profit shares		24,432,801	16,982,016
Members' remuneration charged as an expense		(990,500)	(984,250)
		<u>                    </u>	<u>                    </u>
<b>Profit for the financial year available for discretionary division among members</b>		<b>23,442,301</b>	15,997,766
		<u>                    </u>	<u>                    </u>

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

The notes on pages 11 to 15 form part of these financial statements.



**Sand Grove Capital Management LLP**  
Registered number:OC394221

**BALANCE SHEET**  
As at 31 March 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	3,048,198	2,244,952
Cash at bank and in hand		7,862,827	1,822,008
		<u>10,911,025</u>	<u>4,066,960</u>
Creditors: amounts falling due within one year	7	(476,407)	(445,077)
<b>Net current assets</b>		<b>10,434,618</b>	<b>3,621,883</b>
<b>Net assets attributable to members</b>		<b><u>10,434,618</u></b>	<b><u>3,621,883</u></b>
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Members' capital classified as a liability		35,000	35,000
Other amounts	8	729,713	440,027
		<u>764,713</u>	<u>475,027</u>
<b>Members' other interests</b>			
Members' capital classified as equity		550,000	550,000
Other reserves classified as equity		9,119,905	2,596,856
		<u>9,669,905</u>	<u>3,146,856</u>
		<u>10,434,618</u>	<u>3,621,883</u>
<b>Total members' interests</b>			
Amounts due from members (included in debtors)	6	(244,471)	(360,032)
Loans and other debts due to members	8	764,713	475,027
Members' other interests		9,669,905	3,146,856
		<u>10,190,147</u>	<u>3,261,851</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 19 July 2021.

S Davies  
Designated member



The notes on pages 11 to 15 form part of these financial statements.

Sand Grove Capital Management LLP

**RECONCILIATION OF MEMBERS' INTERESTS**  
For the Year Ended 31 March 2021

	EQUITY			DEBT			Total members' interests
	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 £	Members' capital (classified as debt) £	Other amounts £	Total £	
Amounts due to members				35,000	428,372	463,372	
Amounts due from members					(426,281)	(426,281)	
<b>Balance at 31 March 2019</b>	<b>550,000</b>	<b>3,033,972</b>	<b>3,583,972</b>	<b>35,000</b>	<b>2,091</b>	<b>37,091</b>	<b>3,621,063</b>
Members' remuneration charged as an expense	-	-	-	-	984,250	984,250	984,250
Profit for the year available for discretionary division among members	-	15,1997,766	15,997,766	-	-	-	15,997,766
<b>Members' interests after profit for the year</b>	<b>550,000</b>	<b>19,031,738</b>	<b>19,581,738</b>	<b>35,000</b>	<b>986,341</b>	<b>1,021,341</b>	<b>20,603,079</b>
Other divisions of profits	-	(16,434,882)	(16,434,882)	-	16,434,882	16,434,882	-
Drawings	-	-	-	-	(17,407,477)	(17,407,477)	(17,407,477)
Other movements	-	-	-	-	66,249	66,249	66,249
Amounts due to members				35,000	440,027	475,027	
Amounts due from members				-	(360,032)	(360,032)	
<b>Balance at 31 March 2020</b>	<b>550,000</b>	<b>2,596,856</b>	<b>3,146,856</b>	<b>35,000</b>	<b>79,995</b>	<b>114,995</b>	<b>3,261,851</b>

The notes on pages 11 to 15 form part of these financial statements.

**Sand Grove Capital Management LLP**

**RECONCILIATION OF MEMBERS' INTERESTS**  
For the Year Ended 31 March 2021

	EQUITY Members' other interests			DEBT Loans and other debts due to members less any amounts due from members in debtors			Total members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Members' capital (classified as debt) £	Other amounts £	Total £	Total £
Amounts due to members				35,000	440,027	475,027	
Amounts due from members				-	(360,032)	(360,032)	
<b>Balance at 31 March 2020</b>	<u>550,000</u>	<u>2,596,856</u>	<u>3,146,856</u>	<u>35,000</u>	<u>79,995</u>	<u>114,995</u>	<u>3,261,851</u>
Members' remuneration charged as an expense	-	-	-	-	990,500	990,500	990,500
Profit for the year available for discretionary division among members	-	23,442,301	23,442,301	-	-	-	23,442,301
<b>Members' interests after profit for the year</b>	<u>550,000</u>	<u>26,039,157</u>	<u>26,039,157</u>	<u>35,000</u>	<u>1,070,495</u>	<u>1,105,495</u>	<u>27,694,652</u>
Other divisions of profits	-	(16,919,252)	(16,919,252)	-	16,919,252	16,919,252	-
Drawings	-	-	-	-	(17,620,066)	(17,620,066)	(17,620,066)
Other movements	-	-	-	-	115,561	115,651	115,651
Amounts due to members				35,000	729,713	729,713	
Amounts due from members				-	(244,471)	(244,471)	
<b>Balance at 31 March 2021</b>	<u>550,000</u>	<u>9,119,905</u>	<u>9,669,905</u>	<u>35,000</u>	<u>485,242</u>	<u>520,242</u>	<u>10,190,147</u>

The notes on pages 11 to 15 form part of these financial statements.

The ability of the members of the LLP to reduce the amount of Members' other interests is restricted by the regulatory capital requirements of the FCA.

**Sand Grove Capital Management LLP**

**STATEMENT OF CASH FLOWS**  
**For the Year Ended 31 March 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	24,432,801	16,982,016
<b>Adjustments for:</b>		
Interest receivable	(351)	(1,524)
(Increase) in debtors	(803,246)	(66,060)
Increase in creditors	31,330	55,374
Payments to members	(700,816)	(1,104,486)
<b>Net cash generated from operating activities before transactions with members</b>	<u>22,959,718</u>	<u>15,865,320</u>
<b>Cash flows from investing activities</b>		
Interest received	351	1,524
<b>Net cash from investing activities</b>	<u>351</u>	<u>1,524</u>
<b>Cash flows from financing activities</b>		
Payments to members	(16,919,250)	(16,236,742)
<b>Net cash used in financing activities</b>	<u>(16,919,250)</u>	<u>(16,236,742)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>6,040,819</u>	<u>(369,898)</u>
Cash and cash equivalents at beginning of year	1,822,008	2,191,906
<b>Cash and cash equivalents at the end of year</b>	<u><u>7,862,827</u></u>	<u><u>1,822,008</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	7,862,827	1,822,008
	<u><u>7,862,827</u></u>	<u><u>1,822,008</u></u>

The notes on pages 11 to 15 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2021**

**1. Accounting policies**

**Basis of preparation of financial statements**

Sand Grove Capital Management LLP is a limited liability partnership incorporated in the UK.

The LLP's registered office is 35 Dover Street, London W1S 4NQ.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" published in December 2018.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Management do not consider there are any key accounting estimates or assumptions made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Management are also required to exercise judgment in applying the company's accounting policies. Due to the straightforward nature of the business management consider that no critical judgements have been made in applying the company's accounting policies.

The following principal accounting policies have been applied:

**Turnover**

Turnover comprises revenue recognised by the LLP in respect of investment advisory fees, comprising management and performance fees. Management fees are recognised as they accrue across the year. Performance fees are recognised on crystallisation.

**Members' remuneration**

Remuneration is paid to certain members as an automatic profit share and these amounts are included as an expense in the statement of comprehensive income after arriving at "profit for the financial year before members' remuneration and profit shares".

A member's discretionary share in the profit or loss for the year is accounted for as an allocation of profits.

Unallocated profits and losses are included within "other reserves".

**Financial instruments**

The LLP takes out foreign exchange forward contracts to protect against future currency fluctuations. Forward contracts are initially recorded at fair value and are subsequently remeasured at fair value based on mid-market forward rates, with gains and losses recognised in profit or loss.

Aside from foreign exchange forward contracts, the LLP's financial instruments arise directly from operations.

All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The LLP does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment.

The LLP's cash holdings comprise on demand balances. All cash is held with banks with strong external credit ratings.

## **Sand Grove Capital Management LLP**

### **NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2021**

#### **1. Accounting policies (continued)**

##### **Financial instruments (continued)**

Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished.

The LLP only has short term receivables and payables, the latter including amounts due to members. Note 9 provides details of the LLP's overall liquidity position at the balance sheet date.

##### **Foreign currency translation**

##### **Functional and presentation currency**

The LLP's functional and presentational currency is GBP.

##### **Transactions and balances**

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

##### **Tax provision**

The taxation payable on profits is the personal liability of the members during the year.

##### **Operating leases**

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

#### **2. Turnover**

The whole of the turnover is attributable to the principal continuing activity of the LLP.

All turnover arose within the United Kingdom.

## Sand Grove Capital Management LLP

### NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 March 2021

#### 3. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	17,317	48,238
Other operating lease rentals	139,086	139,895
	<u>139,086</u>	<u>139,895</u>

Auditors' remuneration is borne by the corporate member.

#### 4. Employees

The LLP has no employees and no salaried members.

#### 5. Information in relation to members

	2021 Number	2020 Number
The average number of members during the year was	9	10
	<u>9</u>	<u>10</u>

#### 6. Debtors

	2021 £	2020 £
Other debtors	749,836	967,817
Prepayments and accrued income	2,053,891	917,103
Amounts due from members	244,471	360,032
	<u>3,048,198</u>	<u>2,244,952</u>

#### 7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	131,003	139,558
Amounts owed to related undertakings	286,642	200,100
Accruals and deferred income	58,762	105,419
	<u>476,407</u>	<u>445,077</u>

**Sand Grove Capital Management LLP**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 March 2021**

**8. Loans and other debts due to members**

	2021 £	2020 £
Members' capital treated as debt	35,000	35,000
Amounts due to members in respect of profit allocations	729,713	440,027
	<u>(764,713)</u>	<u>(475,027)</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

**9. Analysis of Net Debt**

	At 1 April 2020 £	Arising from cash flows £	Other non- cash changes £	At 31 March 2021 £
Cash at bank and in hand	1,822,008	6,040,819	-	7,862,827
Net debt (before members' debt)	<u>1,822,008</u>	<u>6,040,819</u>	<u>-</u>	<u>7,862,827</u>
<i>Loans and other debts due to members</i>				
Members' capital	(35,000)	-	-	(35,000)
Other amounts due to members	(440,027)	17,620,066	(17,909,752)	(729,713)
	<u>1,346,981</u>	<u>23,660,885</u>	<u>(17,909,752)</u>	<u>7,098,114</u>

**10. Commitments under operating leases**

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

	2021 £	2020 £
Land and buildings:		
Not later than 1 year	174,845	118,320
Later than 1 year and not later than 5 years	117,362	-
	<u>292,207</u>	<u>118,320</u>



## **Sand Grove Capital Management LLP**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the Year Ended 31 March 2021**

#### **11. Related party transactions**

In accordance with a Services Agreement between the LLP and Sand Grove Capital Intermediate Ltd, the corporate member, the latter recharged expenses of £1,309,998 during the year (2020: £1,300,415).

In accordance with a Services Agreement between the LLP and Sand Grove Capital Management (Delaware) LP, a partnership registered in the USA and under common control, the latter recharged expenses of £844,182 (2020: £1,089,620). The balance outstanding at year end was £286,642 (2020: £200,100).

The amount of profit attributable to the member with the largest entitlement was £14,431,434 (2020: £10,368,191).

The LLP has paid certain costs on behalf of, and has provided working capital contributions to, Sand Grove Capital Management (Cayman) LP, a partnership under common control. The net amount received during the year was £207,885 (2020: net paid £250,071). The balance outstanding at the year end was £578,363 (2020: £787,248) and is included in other debtors.

#### **12. Controlling party**

The ultimate controlling party is S Davies, a designated member of the LLP.