



Alpha Real Capital

Annual report and financial statements

For the year ended 31 March 2021

2021

Alpha Real Capital

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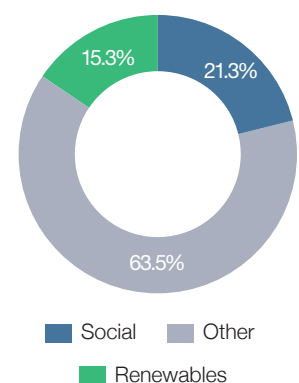
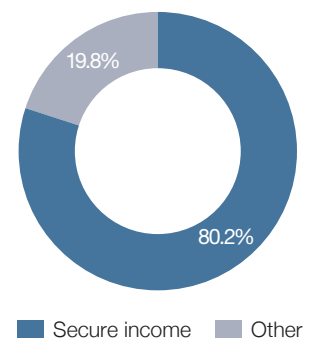
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Alpha Real Capital LLP is a specialist real assets investment manager focused on secure income strategies. We invest in UK and European real assets with predictable secure long-term cash flows.



Highlights

- AUM grew to £4.2 billion including capital commitments focused on secure income assets.
- Social infrastructure and renewable energy infrastructure represent around 37% of group AUM.
- Over £0.9 billion invested in social infrastructure, including long leases and ground rents on social accommodation, care, health and education assets.
- Over £0.6 billion invested in over 100 renewable energy infrastructure assets in wind, solar and hydro with over 250MW of clean energy capacity.
- Over 80% of the £2 billion invested over the last 5 years has been originated by Alpha.
- Alpha's team has grown to over 160 people as we continue to invest for future growth.



Report of the Chief Executive

About Alpha

Alpha Real Capital LLP (“Alpha”) is a specialist real assets investment manager focused on secure income strategies. We invest in UK and European real assets with predictable secure long-term cash flows. We provide market leading and innovative Secure Income solutions across a range of investments such as commercial ground rents, renewable infrastructure, social infrastructure and secured lending, combining operational real estate expertise and fixed income skills.

Alpha has a 160 plus strong professional team with £4.2 billion of assets under management, including capital commitments.



Phillip Rose
CEO

We look for long-term relationships with our investment partners, tenants, lenders and other stakeholders.

Alpha works with a wide range of UK, European and international investors, including pension funds and other large institutional investors as well as private investors, family offices and wealth managers through TIME Investments (www.time-investments.com), Alpha's authorised wealth management investment solutions arm.

Alpha is a signatory to the United Nations Principles for Responsible Investment and a member of INREV and AREF.

Report of the Chief Executive (continued)

We offer each of our stakeholders:

Robust investment and operating processes with financial accountability

A strong emphasis on identifying, measuring and controlling risk

An active-management approach that continuously seeks to add value

A commitment to innovation

A passion for integrity and responsibility in all we do and all we think

A deep respect and genuine spirit of partnership with our investors, business partners and other stakeholders

Key statistics

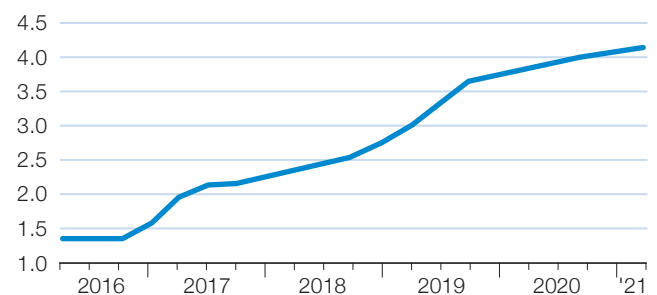
£4.2 billion assets under management

£1.6 billion social and renewables AUM

£40 million revenue

160+ professional team

Average AUM by quarter (£bn)



Signatory of:



INREV



Alpha's expert platforms focus on long-income investing, renewables infrastructure, asset-backed lending and other specialist real asset sectors and services.

Report of the Chief Executive (continued)

Our investment style

Established in 2005 and independently owned and managed by its partners, Alpha thinks independently and acts responsively.

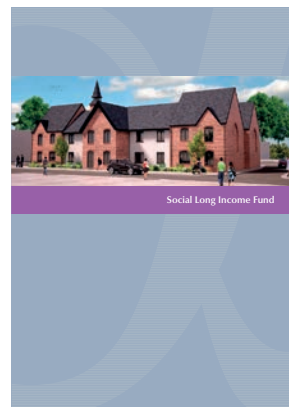
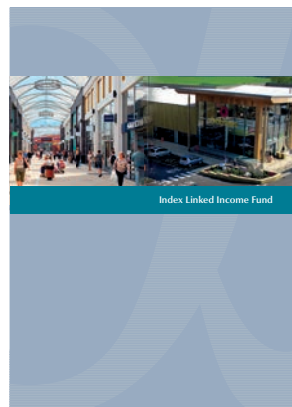
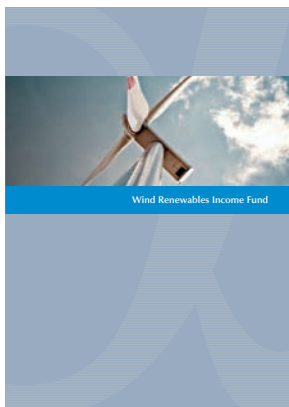
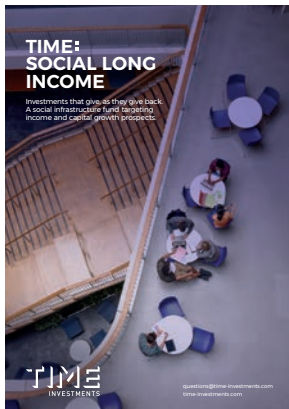
We focus on real assets that can provide income and capital security, income longevity and inflation protection, including Secure Income (SI) and Cash flow Driven Investing (CDI) strategies.

Investors benefit from our ability to bring together specialist sector knowledge, industry connectivity and pro-active management to originate, credit structure and manage real asset investments.

We integrate ESG into our investment processes and have a strong emphasis on social infrastructure and renewable energy infrastructure.

Communication

We strive to be leaders in transparency and provide our investment partners and stakeholders with clear, regular and relevant communication.



Report of the Chief Executive (continued)

Investment process

Alpha operates a robust investment process which integrates local market intelligence, strategic research, active management strategies with financial and risk management.

Origination

- › Focus on asset selection, valuation metrics, operational cash flow and credit
- › Assess and quantify active management opportunities
- › Assess asset and operational risk

Structuring

- › Detailed assessment of valuation fundamentals, rental profile and cash flows
- › Forensic due diligence-physical, technical, legal, environmental
- › Evaluate lease structuring options to deliver value and flexibility
- › Financial and credit stress testing
- › Develop risk management and monitoring strategies

Investment Committee

- › Independently review all investments based on risk return profile and strategic fit
- › Sense test and stress test underwriting assumptions
- › Review and test detailed due diligence including ESG factors

Active asset management

- › Detailed business plan including investment horizon
- › Utilise optimum mix of in-house and closely managed service providers
- › Partner-based relationships with key tenants

Portfolio management

- › Monitor portfolio and asset level characteristics, cash flows, financial covenants, projected IRRs, exit multiples and ESG factors
- › Ongoing risk optimisation including rent rebalancing and/or asset substitutions

Liquidity management

- › Continually review liquidity options for investors
- › Optimise cash balances

Report of the Chief Executive (continued)

Our business model

Alpha utilises its core strengths in establishing, building and managing specialist investment platforms focused on discrete investment strategies:

Specialist platforms	Investment funds	Wealth management solutions and funds
Long Income Real Estate 	Index Linked Income Fund Long-income, inflation-linked commercial freehold ground rents	TIME:Freehold Long-income, inflation-linked freehold ground rents
Social Infrastructure 	European Long Income Fund Long-income, inflation-linked European commercial property investment	TIME:Commercial Long Income Long-income, inflation-linked commercial property investment
Renewable Energy Infrastructure 	Social Long Income Fund Long-income, inflation-linked social infrastructure	TIME:Social Long Income Long-income, inflation-linked social infrastructure
Property Lending 	Wind Renewable Income Fund Renewable energy infrastructure	TIME:Advance IHT investment services focused on renewable energy infrastructure and property lending
	Alpha Real Trust Property lending and other asset-backed investing	TIME:UK Infrastructure Income Renewable energy and infrastructure securities

Alpha's expert platforms benefit from sector specialist teams who can draw on the wider group's resources and skill base to bring together cross-functional teams with deep experience in investment selection, active asset management, credit and risk management, financing and structuring.

Alpha has specialist expertise in long income investing including freehold ground rents, social infrastructure and renewable energy infrastructure.

Alpha continues to create new funds and services that enable our investment partners to access a wider choice of secure income strategies from real assets with attractive risk-adjusted investment returns.

Report of the Chief Executive (continued)

Our organisational strengths

Alpha's business is built on the breadth and depth of our 160 plus expert staff's collective experience, our ability to work flexibly on an inter-disciplinary basis, our expert sector-focused investment platforms, and our disciplined investment and risk-management processes.



Report of the Chief Executive (continued)

Our commitment to Environmental, Social and Governance ('ESG')

Alpha is a signatory to the United Nations Principles for Responsible Investment.

Alpha acts in accordance with its ESG Policy and is committed to its funds and other managed entities generating sustainable investment returns in a way that delivers positive environmental, social and economic benefits. Alpha recognises that the way in which buildings are designed, built, managed and occupied significantly influences their impact on the environment and affected communities and, where possible, Alpha seeks to manage these issues. Many of the tenants have agreed to environmental good practice, energy and water efficiency and waste reduction in providing any services and in carrying out any works. For relevant fund tenants, regulatory permissions, or licences (e.g. CQC certificates relevant to the quality of care) are reviewed by Alpha on a regular basis.

ESG considerations are embedded within investment and ongoing monitoring processes. For instance, for each applicable property investment, Energy Performance Certificates are recorded and discussed as an integral part of the investment process along with other relevant environmental factors including flooding risk, radon, asbestos and other materials.

Around 15% of Alpha's assets under management is represented by renewable energy representing an investment of over £0.6 billion in over 250MW of green energy capacity. Alpha's renewable energy investments are capable of producing over 350 GWh of green energy, equivalent to the annual consumption of over 114,000 average UK households, and a CO2 reduction of over 100,000 tonnes equivalent.

Around a quarter of Alpha's assets under management is represented by social infrastructure assets delivering care or education, providing significant societal benefits:

Alpha encourages staff to participate in charitable and voluntary work, through flexibility on time off and corporate donations.


Signatory of:





Specialist care

Our healthcare assets provide more than **9,000** beds for the elderly or people with learning disabilities and specialist care needs



Education

Our educational facilities can accommodate over **7,500** children at any one time for team-based outward-bound learning and educate around **2,300** pupils



Medical centres

Our medical centres provide care for over **85,000** patients and are currently looking to develop facilities to serve a further **12,000** patients



Day nurseries

Our children's day nursery portfolio provides places for more than **10,000** babies and toddlers

Report of the Chief Executive (continued)

Governance

Alpha puts good business governance at the centre of its risk framework. It manages this through well communicated protocols and open information flows throughout the organisation.

Alpha, and its subsidiary TIME Investments, are authorised and regulated by the Financial Conduct Authority to provide investment management services to professional investors and regulated financial advisers and their investors.

The group therefore adheres to an established compliance environment which is supported by a code of conduct incorporated into personnel contracts. This code covers a wide range of conduct requirements including client confidentiality, data protection, market abuse regarding price-sensitive information, personal interests disclosure, conflicts of interest, anti-money laundering procedures, bribery act and whistleblowing processes.

Alpha commissions an annual Assurance Report on Internal Controls (AAF01/20) to independently review and report upon its investment management processes and internal controls.

Fundamental to its investment management operational framework Alpha holds Investment Committees to make investment/divestment and other fund critical recommendations/decisions. The committees are made up of senior personnel including the CEO.

Additionally, Alpha maintains monthly Risk Committees. This forum is made up of the CFO, COO and TIME's Operation Director. This seeks to establish an internal body independent of the investment decision environment so providing an objective view on activities. For each fund/platform there are risk matrices developed to measure any evolving risks that need further focus and attention from the Alpha executive.

Within its authorised fund business activities, to support its role as Authorised Corporate Director (ACD), Alpha has established an ACD Board with two Independent Directors.

Alpha compliments its governance with a team of Senior Advisors who have deep industry knowledge and reach to help provide valuable insight and input into Alpha's business development and growth.

Alpha abides by the laws and values of the Equality Act 2010 and is an equal opportunity employer. Alpha is also committed to ensuring that all staff can work in a workplace where health and safety is provided in accordance with applicable laws and regulations.

Alpha is a member of INREV, the European Association for Investors in Non-Listed Real Estate Vehicles whose mission is to promote transparency, professionalism, and best practice.

Alpha puts good business governance at the centre of its risk framework. It manages this through well communicated protocols and open information flows throughout the organisation.

INREV

AREF
The Association of Real Estate Funds

Report of the Chief Executive (continued)

Independent Directors and Senior Advisors

Richard Gray

Independent Director

Richard is an investment banker with extensive international experience in equity capital markets, corporate broking and corporate finance. He works with Zeus Capital and has held senior positions at Panmure Gordon, Lazard and UBS.

Richard is a Non-Executive Director of CVS Group plc, a Non-Executive Director of BMO Private Equity Trust PLC, serves on the Strategic Board of Banco Finantia SA and is Vice Chairman of Invescore Group.

Sinead Leahy

Senior Advisor

Sinead joined Alpha as a Senior Adviser in 2021. Sinead is a pension specialist and former Partner of PwC where she was Head of Pensions Investment Consulting. She was responsible for leading the firm's focus on investment strategy and implementation advice to corporate sponsors and trustees of large defined benefit (DB) pension schemes.

With over 25 years of experience in financial markets, Sinead has helped numerous large schemes optimise and de-risk their funds. Prior to PwC, Sinead worked at NatWest Markets where her roles included Head of UK Pension Solutions and Alternative Asset Distribution.

Sinead has considerable experience executing transactions including some of the earliest LDI trades in the UK DB market as well as selling illiquid alternative assets to large institutional investors. She has a strong track record developing relationships with large pension schemes and their sponsors and in recent years has focused on developing journey plans with an emphasis on cash flow driven investing.

Roger Mountford

Senior Advisor

Roger joined Alpha as a Senior Adviser in 2020. He has held a range of board and trustee positions across the private and public sectors and chaired several large pension schemes. He has a special interest in private assets, including infrastructure, social housing, and private equity.

Roger is currently chair of the trustee of the Lafarge UK Pension Plan, is a government-appointed director of HS2 Limited and has served on the boards of the Allied Domecq, Civil Aviation Authority and Church of England pensions boards. He has degrees in economics and management from the LSE and the Stanford Business School.

Gerald Parkes

Independent Director

Gerald has over 40 years' experience in real estate and related sectors, having started his career in London in 1977. Prior to founding Property Capital Partners Europe in 2010 he was the Managing Director and Head of Real Estate Private Equity Europe for Lehman Brothers. Prior roles include Chief Executive of Invesco Real Estate Limited, founder and CEO of Parkes and Company, Head of Investment Management Europe for Lend Lease and founding Partner and Head of Europe for The Yarmouth Group. From 1993 until 2003, Gerald had a mandate from Teachers Insurance Annuity Association, to develop and then execute its direct investment strategy in Europe.

Gerald has an MA in Land Economy from Cambridge University. He is a Governor of the Urban Land Institute and former Chair of ULI Europe. Prior to BREXIT, he was also the private sector member of the UK Government's Property Star Chamber and an independent adviser to the Government Property Unit reporting to Cabinet.

Phil Redding

Senior Advisor

Phil joined Alpha as a Senior Adviser in 2021. Phil has held a range of positions across both business development and consulting and brings with him over 40 years of pension and investment experience. Phil is currently an Executive Director at Cardano, and prior to that, was Head of Business Development EMEA at Aviva Investors. He has also worked at Credit Suisse, Zurich, CIS and Scottish Mutual. His formative years were spent as a pensions consultant at Hogg Robinson Benefit Consultants.

Report of the Chief Executive (continued)

Our values



Report of the Chief Executive (continued)

Key funds and platforms review



Platform focus: Alpha Long Income

Established in 2014, Alpha Long Income is a division of Alpha that specialises in long income real estate investment.

Alpha has raised circa £2 billion from UK pension funds for investment in long-income ground rents and social infrastructure through funds and direct mandates. These assets all have long-term cash flows with substantial inflation indexation.

The Alpha Long Income team has deep experience in the origination and credit structuring of long income investments and has extensive knowledge of pension fund de-risking and Cash flow Driven Investing (CDI).

Occupiers benefit from Alpha's track record in clearly identifying the long-term needs of tenants and in delivering flexible partnership-based real estate solutions.

Index Linked Income Fund (ILIF)

The Index Linked Income Fund invests in a portfolio of UK commercial ground rent assets to provide a long-term secure and predictable inflation-linked income stream with associated capital growth.

ILIF's investment strategy includes:

- Long-lease tenancies, typically over 100 years
- Rents indexed to inflation
- Defensive rental levels set at well below market levels
- Geographic and economic diversification

In the year ended 31 March 2021, ILIF's NAV grew to £1,738 million. ILIF now holds 561 individual properties.

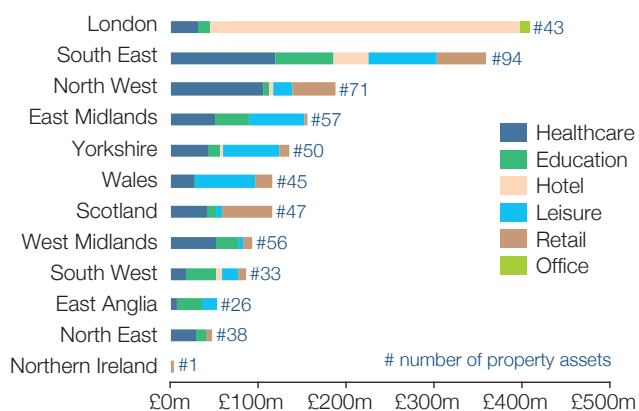
Report of the Chief Executive (continued)

CareTech		Care Concern	
Sector	Specialist healthcare	Sector	Specialist healthcare
Transaction type	Follow-on	Transaction type	Follow-on
Number of assets	1	Number of assets	13
Date	Q3 2020	Date	Q1 2021
Term remaining from acquisition	148 years	Term remaining from acquisition	173 years
Rent review	Annual RPI (0,5)	Rent review	Annual RPI (0,5)

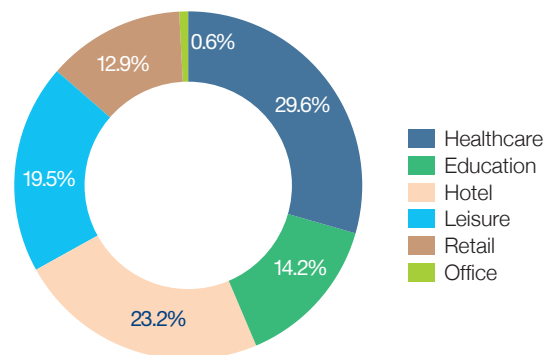
Away Resorts		CareTech	
Sector	Holiday parks	Sector	Specialist healthcare
Transaction type	Follow-on	Transaction type	Follow-on
Number of assets	1	Number of assets	7
Date	Q4 2020	Date	Q1 2021
Term remaining from acquisition	98 years	Term remaining from acquisition	146 years
Rent review	Annual RPI (0,5)	Rent review	5 yearly RPI (0,5)

ILIF completed transactions over the period included a significant number of follow-on investments demonstrating the strength of Alpha's partner relationships.

Geographical diversification (£m capital value)



Sector exposures (by ground rent capital value)



ILIF continued to deliver shareholders an attractive, inflation-beating return in the year to 31 March 2021.

Report of the Chief Executive (continued)

Key funds and platforms review



Platform focus: Social Infrastructure

Alpha, through its funds and separate account mandates, has been an active investor in UK social real estate since 2015. Alpha's social infrastructure vehicles are managed by a dedicated portfolio and investment team with a wide range of investment experience across the full range of social real assets. In sectors where many opportunities are secured off-market, the Alpha team are experienced at origination, development and forward funding, and liaise extensively with developers and operators directly. Alpha manages an active pipeline of assets across a range of sub-sectors including housing, healthcare and education.

To date, the Social Long Income PAIF, the Social Long Income NW Partnership and the Social Long Income Fund, which all focus on social infrastructure investment, have deployed over £135 million across a combined portfolio of 43 assets.

The investments within these portfolios provide the following:

- Primary care facilities for 85,100 patients
- 694 nursery places
- 212 supported living apartments for people with learning and physical disabilities
- 65 specialist care home bed spaces
- 138 elderly care home bed spaces

In addition to these social-specific investment platforms, Alpha has further invested in the social housing, healthcare and education sectors through commercial ground rents and investments into Irish social housing. Alpha has invested over £925 million, across over 530 social assets.

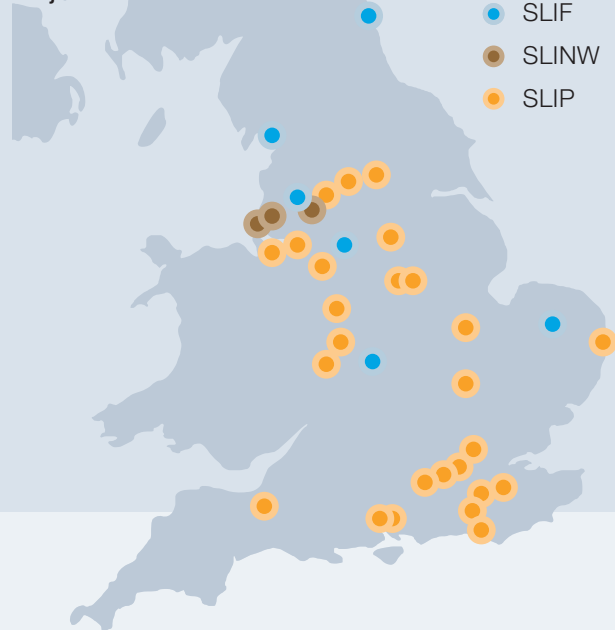
Increasing investor appetite for social infrastructure investing and the predictable, long-term inflation-linked cash flows and societal benefits it provides is expected to continue to grow.

Increasing investor appetite for social infrastructure investing and the predictable, long-term inflation-linked cash flows and societal benefits it provides is expected to continue to grow.

Report of the Chief Executive (continued)



Project locations



Social Long Income Fund (SLIF)

The Social Long Income Fund invests in UK social infrastructure assets that provide a secure long-term, inflation linked income streams with associated capital growth, whilst also delivering positive social and societal benefits to the residents, service users and communities the assets serve.

The targeted assets are operational real estate with tenants who are willing to take long-term leases (20-25 years or longer) subject to index-linked rent reviews (CPI or RPI, subject to caps and floors). Tenants are willing to take these long-term leases due to the quality of the real estate, which are long-term fit-for-purpose and provide operational efficiencies and improved outcomes. The combination of long-term, fit-for-purpose assets addressing structural (demographic or societal) demand, results in these assets offering long-term sustainable and growing cash flows that are less volatile than cyclical sectors correlated with the economic cycle.

SLIF typically invests either via acquisition or through the development of real estate assets let on long leases to providers of services such as:




- Specialist social housing, including supported living and extra care
- Affordable housing, including key worker accommodation
- Care homes
- Primary care assets
- Education assets, including day nurseries, schools or Higher Education faculty buildings

SLIF has two Local Government Pension Scheme investors and is in discussions with a number of pension funds and investment consultants to deliver its pipeline of opportunities and diversify and expand its portfolio.

SLIF continued to deliver shareholders an attractive, inflation-beating return in the year to 31 March 2021.

Report of the Chief Executive (continued)

Platform focus: Social Infrastructure

Healthcare 	Housing 	Education 
		
Primary care	Supported living	University faculty
Providing high quality facilities for patient treatment, increasing access to services and delivering societal health benefits.	Providing secure, fit-for-purpose accommodation for vulnerable adults, promoting independence and facilitating wider positive outcomes.	Providing high-quality teaching accommodation that promotes learning, provides stability and improves long-term opportunities.
Typical tenants: NHS Trust / Clinical Commissioning Group / GP Partners	Typical tenants: NHS Trust / Clinical Commissioning Group / GP Partners	Typical tenants: NHS Trust / Clinical Commissioning Group / GP Partners
UN Sustainable Development Goals   	UN Sustainable Development Goals   	UN Sustainable Development Goals   

Our social infrastructure platform provides a diversified range of assets reflecting the diverse needs of society.

Report of the Chief Executive (continued)

Key funds and platforms review



Platform focus: Alpha Real Renewables

Alpha continues to grow its presence in the UK renewable energy sector. Over the last 12 months the platform added a further 41 operating assets (22MW) in the onshore wind and solar PV sectors. This has grown the platform to over 250MW of installed capacity and 146 operating schemes situated throughout the UK including Northern Ireland.

The portfolio is currently managed by a dedicated portfolio and investment team of 14 with a track record of 58 completed transactions, investing more than £625 million in equity. The team has experience in funding projects through the planning, design, build and operational phases, and has successfully commissioned 16 schemes spanning onshore wind, solar PV, and hydro generation.

Through its off market direct origination efforts (80% of completed deals since 2018 have been off market), the business has visibility over an investment pipeline of circa £500 million and more than 1GW of predominantly UK onshore wind and solar assets to support its ongoing investment mandates for Time:Advance (Elm Trading) and the Wind Renewables Income Fund (WRIF).

WRIF was established in May 2018 as a closed ended institutional investment fund dedicated to UK renewables (sub 5MW onshore wind). During 2020 it successfully raised a further £80 million in commitments from UK pension funds. WRIF has now deployed £126 million into 60 operating assets (24.8MW) with an average remaining economic life of 20 years benefiting from 83% long-term inflation linked revenues. WRIF will be seeking to deploy its remaining commitments during the coming year.

Good levels of production and availability continue to be achieved across the Alpha renewables portfolio which has achieved +5% versus forecast generation during 2020, and greater than 98% portfolio availability over the last five years.

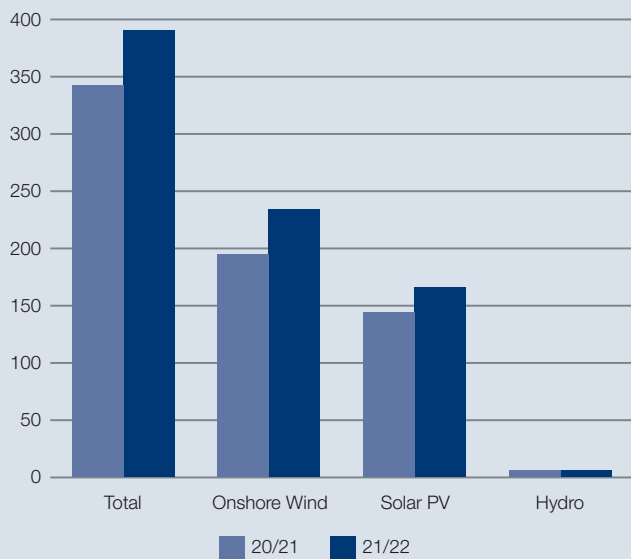
The total achieved output of 354 GWh would be equivalent to the annual electricity consumption of over 114,000 average UK households, providing a CO₂ reduction of over 100,000 tonnes equivalent.

The expanded renewables portfolio will be capable of producing circa 390 GWh, equivalent to the annual consumption of over 125,000 average UK households, and a CO₂ reduction of over 110,000 tonnes equivalent.

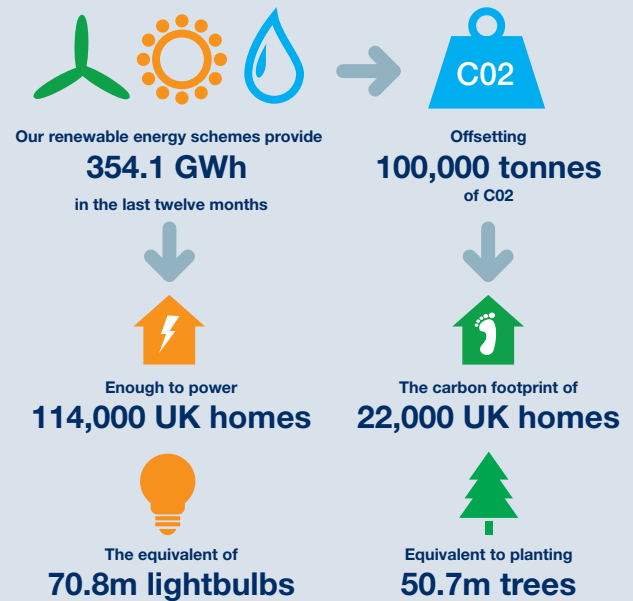
Report of the Chief Executive (continued)

Platform focus: Alpha Real Renewables

Generation mix (GWh)



Portfolio environmental benefits

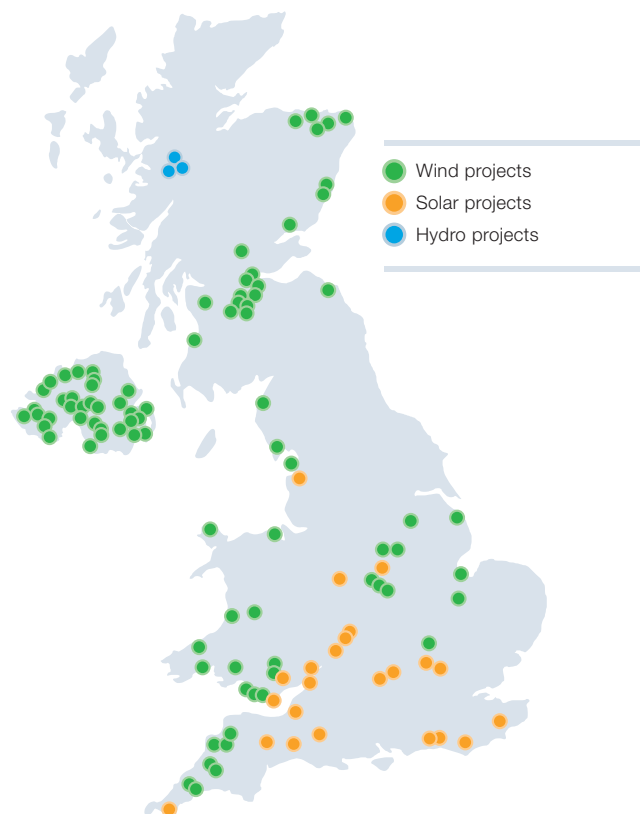


The portfolio's geographical spread offers excellent resource as well as income diversification comprising 36% Feed in Tariff (FIT) and 62% Renewables Obligation (ROC) with an average remaining economic life of more than 20 years, while benefiting from 64% long-term inflation linked revenues.













Alpha is actively pursuing an asset life extension strategy anticipated to improve long-term value. The first phase consisting of 40 projects could unlock more than half of this value. Further asset optimisation is being implemented through performance improvements at both wind and solar sites, together with competitive procurement at portfolio level of all risk insurance, O&M and asset management services.

Consistent with Alpha's aims to provide investors with predictable cash flows, forecast portfolio revenues of £62.3 million for the next 12 months are 98% fixed, with the power price hedged at an average power price of £55.5/MWh.

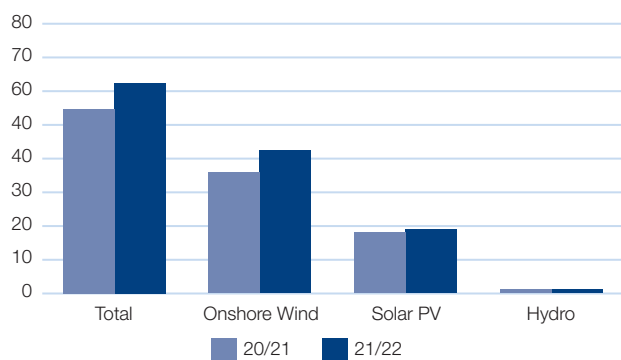
Project locations



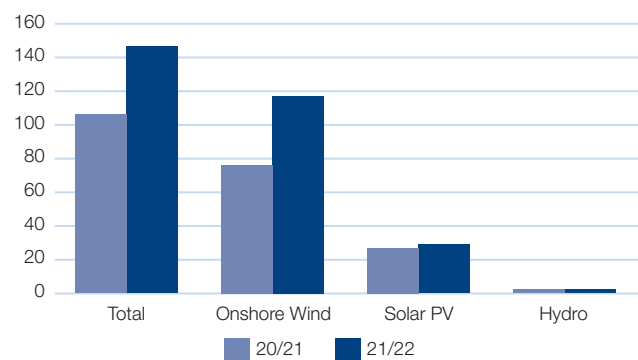
Report of the Chief Executive (continued)

Wind	Solar	Hydro
		
Bryn Blaen wind farm	Shine solar farm	Glen Hydro
Alpha's wind turbines generate 230,787 MWh of clean energy sufficient to power 74k UK homes and offsetting 65k tonnes of CO2 per year	Alpha's solar farms generate 150,573 MWh of clean energy sufficient to power 49k UK homes and offsetting 43k tonnes of CO2 per year	Alpha's hydro schemes generate 4,960 MWh of clean energy sufficient to power 2k UK homes and offsetting 1k tonnes of CO2 per year
UN Sustainable Development Goals	UN Sustainable Development Goals	UN Sustainable Development Goals
  	  	  

Revenues (£million)



Number of sites



Revenue mix (£62 million total)

FIT £22.33m	ROC £19.33m	Fixed £20.30m	Merchant £0.35m
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Report of the Chief Executive (continued)

Key funds and platforms review



European Long Income Fund (ELIF)

The European Long Income Fund invests in European ground rent and other long-income commercial property assets to provide a long-term secure and predictable inflation-linked income stream with associated capital growth. ELIF seeks to invest in opportunities to create new ground leases as well as existing assets and portfolios. ELIF's investment strategy includes:

- Long-lease tenancies
- Rents indexed to inflation
- Defensive rental levels set at well below market levels
- Geographic and economic diversification

During the year, ELIF acquired two portfolios of social housing in Ireland that are being refurbished and leased to local authorities on 25-year leases with 3 yearly inflation linked rent adjustments.



Alpha Real Trust (ART)

Alpha Real Trust currently focuses on high-yielding property debt, including senior and stretch senior lending to property investors and developers in the UK. ART is a closed-ended Guernsey registered investment company listed on the Specialist Fund Segment of the London Stock Exchange.

Report of the Chief Executive (continued)



TIME:Freehold
(Freehold Income Authorised Fund)

TIME:Freehold is the UK's largest authorised freehold ground rent fund with over £250 million of net assets. TIME:Freehold seeks to provide a secure and stable investment with an attractive income stream and capital growth prospects from a portfolio of over 60,000 ground rents. For over two decades, TIME:Freehold has consistently produced inflation-beating investor returns, with regular income and relatively low volatility. The investors in TIME:Freehold include individuals, charities, trusts and pension funds. TIME:Freehold has provided the best risk-adjusted return of any fund in the IMA unit trust and OEIC universe over a 10-year period, according to FE Trustnet research.



TIME: Commercial Long Income
(CLIP)

TIME: Commercial Long Income invests in UK commercial property with long dated income streams that falls into two categories:

- Commercial freeholds with ground rents and;
- Commercial freeholds which benefit from long leases.

The income streams, security of the underlying investments and associated risk differs between these two asset types. By investing in both, CLIP provides diversification and is able to spread risk.

CLIP is traded daily, is accessible via ISA, SIPP, offshore and SSASs, and aims to deliver:

- Consistent income returns
- Inflation mitigation
- Income security
- Potential for capital growth

CLIP has continued to deliver an attractive income return in each year since inception.

Report of the Chief Executive (continued)

Key funds and platforms review



TIME: Social Long Income (SLIP)

TIME: Social Long Income invests in UK social infrastructure with long dated income streams including specialist social housing, care homes, primary care facilities, medical care facilities and childcare.

SLIP has continued to deliver an attractive income return in each year since inception.



TIME:Advance

TIME:Advance provides a streamlined service that invests in asset backed operating businesses that produce a steady and consistent annual return of around 3% net of all costs and also mitigates inheritance tax (IHT) liability after a two year qualifying period through the use of Business Relief (BR). TIME:Advance focuses on renewable energy infrastructure and property lending.

Over a period of 25 years, TIME's BR services: have achieved 100% BR from IHT for all of its qualifying investors and an inflation beating return over that period.

TIME:Advance has raised over £750 million from investors to date.

Report of the Chief Executive (continued)



TIME:UK Infrastructure Income Fund (TIIF)

TIME:UK Infrastructure Income provides investors with diversification away from traditional equities markets, to a lower volatility infrastructure fund with attractive risk-adjusted returns.

The fund seeks to deliver an annual income, with capital growth through a diversified, yet balanced portfolio of shares of UK-listed infrastructure and real estate companies.

The investment team uses a unique and proven investment process utilising a combination of active and factor-based investment strategies:

- Attractive and well covered dividends
- Low correlation to UK equity markets
- High levels of potential liquidity
- The potential for continued capital growth
- Sustainable and relatively low levels of debt

The screening process is followed by fund manager and investment team approval, typically resulting in an equally weighted portfolio of 20-30 holdings, which undergo regular rebalancing within tolerance levels.



Alpha Property Lending

Alpha Property Lending is a principal provider of Senior, Stretch Senior, Mezzanine and Investment Debt Finance for residential and commercial properties throughout the UK. Alpha Property Lending has over a decade of experience of providing development and investment finance in addition to financing operational real estate businesses. With over £350 million of debt deployed, Alpha is well placed to finance a broad range of development funding and investment lending requirements as well as other asset backed lending opportunities.

Report of the Chief Executive (continued)

Financial performance

The Alpha business has proved resilient during the year despite the Covid-19 pandemic with AUM continuing to grow and virtually all funds continuing to produce positive investor returns.

Alpha's consolidated operating profit for the year ending 31 March 2021 was £18.8 million (31 March 2020: £21.6 million). Revenues remained resilient during the period with recurring fee income representing 80% (2020: 68%) of total revenues this year. Alpha continues to enjoy a strong balance sheet with no borrowings.

Outlook

Alpha's long-term growth strategy remains resilient. Alpha's business remains firmly focused on sectors with strong long-term growth prospects; secure income real estate, social infrastructure, renewable energy infrastructure and property lending. Alpha's strong balance sheet and significant cash reserves, provides it with a robust platform from which to continue the expansion of its expert platforms and diversified funds management business.

Report of the Chief Executive (continued)

Our team

Alpha is headquartered in London with an international network of offices with experienced management teams, deep local market knowledge and an extensive investment sourcing, credit structuring, asset management and realisation track record.

Phillip Rose

CEO, Partner Alpha Real Capital LLP

Phillip has 37 years' experience in the real estate, funds management and banking industries in Europe, the USA and Australasia. Prior to founding Alpha Real Capital in 2005, he has been the Head of Real Estate for ABN AMRO Bank and Managing Director of Lend Lease Global Investment.

Phillip has served as an independent member of the Management Committee of Hermes Property Unit Trust and as a non-executive director of Great Portland Estates plc.

Brad Bauman

Partner Alpha Real Capital LLP

Brad has been a Partner of Alpha Real Capital since its inception in 2005. He is Joint-Fund Manager of Alpha Real Trust and oversees business development opportunities for the Alpha group, including Alpha's asset-backed lending growth.

Brad has over 27 years' experience across the real estate and finance industries, working within investment banks, property companies and institutions in both Australasia and Europe. Prior to joining Alpha Real Capital, Brad was Managing Director of CBRE Financial Services.

Karl Devon-Lowe

CFO, Partner Alpha Real Capital LLP

Karl Devon-Lowe joined Alpha Real Capital in 2007 and is responsible for financial control across the firm and its funds including structuring, debt finance and financial reporting. He is also responsible for regulatory compliance and IT.

Karl has over 22 years' finance experience in finance across real estate and leisure sectors. Prior to Alpha Real Capital, he worked in group finance at Hammerson plc and at Heron International. Karl is a Chartered Accountant and an Associate Member of the Corporate Treasurers.

Mark Rattigan

COO, Partner Alpha Real Capital LLP

Karl Mark joined Alpha Real Capital as Chief Operating Officer in 2010 and is the fund manager for the Index Linked Income Fund.

Mark has 32 years' experience in real estate, funds management and investment banking. Mark has previously been Chief Operating Officer and Director – Finance and Operations at RREEF (Deutsche Bank's real estate funds management group) and has held investment banking roles at HSBC and Macquarie Bank.

Report of the Chief Executive (continued)

Our team (continued)

The team has extensive experience in long-income real estate, renewable energy infrastructure and property lending with leading organisations from around the world.

Patrick Grant

Head of Real Estate Origination

Partner Alpha Real Capital LLP

Patrick joined as a Partner of Alpha Real Capital in 2015 and leads the Alpha Real Capital origination team. His primary focus is on growing the group's institutional ground rent and other long income property businesses in the UK and Europe.

Patrick has over 22 years' experience in the property market, the majority which has been spent in alternative asset sectors (hotels, healthcare and leisure). Prior to Alpha Real Capital, he was at CBRE, Gerald Eve, Christie & Co and St Martins Property Corporation.

Nigel Ashfield

Partner Alpha Real Capital LLP

Managing Director TIME Investments

Nigel joined Alpha Real Capital as a Partner in 2011 and is a founder and Managing Director of TIME Investments. He is also the fund manager of TIME:Freehold and TIME:Commercial Freehold.

Nigel has over 25 years' experience in fund management and finance, having previously been employed by Close Brothers as Managing Director of its Tax Efficient and Property Funds Management business. Nigel qualified as a chartered accountant with PwC in their London SME business assurance division.

Stephen Daniels

Head of Investments, Partner

TIME Investments

Stephen has worked in the business since 2007 and is one of the founding Partners of TIME Investments. Stephen is responsible for TIME:Advance and TIME:UK Infrastructure Income, looking after more than £700 million of investments.

Stephen has over 15 years' experience in finance, fund management and investing UK Smaller Companies. Previously, Stephen was a Divisional Director at Close Brothers Group's tax efficient and property funds division.

Anthony Buckley

Operations Director, Partner

TIME Investments

Anthony is a founding Partner of TIME and has been responsible for finance and operations at TIME since 2011, having previously worked as Director of Operations at Close Brothers' Property Division.

Anthony is a chartered accountant by profession. In New Zealand Anthony spent seven years in public practice, specialising in business advisory and taxation advice for SMEs and high net worth individuals across a wide variety of business sectors.

Report of the Members

The members present their report together with the audited financial statements for the year ended 31 March 2021.

Principal activity, trading review and future developments

The principal activity of Alpha Real Capital LLP (the "Partnership" or "LLP") is the provision of investment management services. The Partnership is authorised and regulated by the Financial Conduct Authority. The Chief Executive's report on pages 2 to 20 provides an update on the Partnership's performance for the year. The members are actively exploring opportunities to expand the Partnership's business base and assets under management.

Principal risks and uncertainties

The members are responsible for determining the level of risk acceptable to the Partnership. This is subject to regular review. The members believe the principal risks facing the Partnership are:

- (1) **credit risk** – the risk of loss if another party fails to perform its obligations or fails to perform them in a timely fashion.
- (2) **market risk** – the risk of loss that arises from adverse movements in cash deposit interest rates and foreign exchange rate.
- (3) **operational risk** – the risk of loss through the loss of one or more of the Partnership's management contracts.

The members seek to mitigate risks through the application of strict controls, a monitoring process at the operational level of cash flows and fund performance and the use of insurance policies and foreign currency hedge contracts where appropriate. The Partnership has updated its Pillar 3 disclosures, as required under Chapter 11 of the Financial Conduct Authority's Prudential Sourcebook for Banks, Building Societies and Investment Firms (BIPRU), and includes these on the Partnership's website.

Designated members

The designated members during the year were:

P Rose

B J Bauman

Rockmount ARC Limited

Allocation of profits

Any profits are shared among the members as governed by the Limited Liability Partnership Deed (the "Deed") dated 25 March 2015 (as amended from time to time). Members are remunerated solely out of the profits of the Partnership and final allocation of profits to members is made in accordance with the Deed.

Capital

The members may only contribute to the Partnership's capital in accordance with the Deed. No member is entitled to interest on their capital.

Policy for drawings, subscriptions and repayment of members' capital

The Deed governs policies for members' drawings, subscriptions and repayment of members' capital. No drawings or other payments can be made to or on behalf of any members, other than by distribution of profits, without the consent of the members. The Partnership will reserve, out of profits before distribution, sufficient funds to provide for the working capital requirements of the business.

Disclosure of information to auditor

At the date of making this report each of the LLP's members confirms the following:

- so far as each member is aware there is no relevant information needed by the LLP's auditor in connection with the preparation of their report of which the LLP's auditor are unaware; and
- each member has taken all the steps that he/she or it ought to have taken as a member in order to make his/her/itself aware of any relevant information needed by the LLP's auditor in connection with the preparation of their report and to establish that the LLP's auditor are aware of that information.

Auditor

A resolution to re-appoint BDO LLP as auditor will be proposed at the next member's meeting.

Approved by the members of the Alpha Real Capital Limited Liability Partnership on 05 July 2021.

Phillip Rose

Designated member

05 July 2021

Members' responsibilities



The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulation. The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations 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 these 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 Limited Liability Partnership and of the profit or loss of the Group and Limited Liability Partnership 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 estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with 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 Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and of the Limited Liability Partnership's affairs as at 31 March 2021 and of the Group's 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 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 Alpha Real Capital LLP ("the Limited Liability Partnership") and its subsidiaries ("the Group") for the period ended 31 March 2021 which comprise the Consolidated income statement, Consolidated statement of comprehensive income, Consolidated statement of financial position, Consolidated statement of movement in members' interest, Consolidated statement of cash flows, Partnership statement of financial position, Partnership statement of movement in members' interest and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*.

* No requirement to specify whether FRS 102 or FRS 102 1A – wording covers both frameworks.

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 Group and 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 Group's or 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.

Other information

The Members are responsible for the other information. The other information comprises the information included in the Report and financial statements, 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 by the Limited Liability Partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the Limited Liability Partnership's 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

Independent auditor's report (continued)

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 Group's and the 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 the 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.

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 through discussion and questionnaires of the legal and regulatory framework applicable to the entity and how the entity is complying with that frame.
- We identified specific laws and regulations as being of significance in the context of the entity.
- Inspection of minutes of meetings.
- Assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.
- Discussion and documentation with management on any matters about non-compliance with laws and regulations and fraud.
- Perform journal entry testing over the full population for the year.

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 is available 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 Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. 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.

Daniel Taylor (Senior Statutory Auditor)

For and on behalf of BDO LLP

Statutory Auditor

London, UK

05 July 2021

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

Consolidated income statement

For the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover	3	39,678,249	41,961,779
Cost of sales		(1,351,633)	(1,345,674)
Administrative expenses	4/5	(19,574,628)	(18,993,556)
Operating profit	4	18,751,988	21,622,549
Interest receivable	6	52,072	64,677
Income from current asset investments	7	-	1,947
(Losses) / gains from changes in fair value of investments	12	(7,625)	37,770
Share of associate profit before tax	13	-	1,206,366
Profit on ordinary activities before taxation		18,796,435	22,933,309
Taxation on profit on ordinary activities	8	24,407	(7,626)
Profit on ordinary activities after taxation		18,820,842	22,925,683
Profit for the financial year before members' remuneration and profit shares		18,820,842	22,925,683
Profit for the financial year before members' remuneration and profit shares attributable to:			
Members as owners of the parent entity		15,306,341	19,371,399
Non-controlling interests		3,514,501	3,554,284
		18,820,842	22,925,683
Profit for the financial year before members' remuneration and profit shares		15,306,341	19,371,399
Members' profit share charged as an expense		(15,306,341)	(19,371,399)
Result for the financial year available for discretionary division among the members		-	-

All amounts relate to continuing activities.

The notes on pages 39 to 49 form part of these financial statements.

Consolidated statement of comprehensive income

For the year ended 31 March 2021

	2021 £	2020 £
Profit for the financial year before members' remuneration and profit shares	18,820,842	22,925,683
Currency translation differences		
Group	(13,112)	(14,322)
Associate	-	(114,904)
Other comprehensive losses for the year	(13,112)	(129,226)
Total comprehensive income for the year	18,807,730	22,796,457
Total comprehensive income attributable to:		
Members as owners of the parent entity	15,293,229	19,242,173
Non-controlling interests	3,514,501	3,554,284
	18,807,730	22,796,457

The notes on pages 39 to 49 form part of these financial statements.

Consolidated statement of financial position

At 31 March 2021

	Note	2021 £	2020 £
Non-current assets			
Tangible assets	10	111,064	165,373
Intangible assets	11	-	538,205
Investments	12	334,145	310,561
Debtors	14	271,906	178,783
		717,115	1,192,922
Current assets			
Debtors	14	6,509,545	8,311,913
Cash at bank and in hand		16,251,448	21,954,802
		22,760,993	30,266,715
Creditors: amounts falling due within one year			
Creditors	15	(6,374,662)	(6,439,464)
Net current assets		16,386,331	23,827,251
Net assets attributable to members		17,103,446	25,020,173
Represented by:			
Loans and other debts due to members within one year			
Amounts due to members		4,362,610	12,336,975
Members' other interests			
Members' capital classified as equity		10,356,799	10,357,797
Total members' interests		14,719,409	22,694,772
Non-controlling interests		2,384,037	2,325,401
		17,103,446	25,020,173
Total members' interests			
Amounts due to members		4,362,610	12,336,975
Members' capital		10,356,799	10,357,797
		14,719,409	22,694,772

The financial statements were approved by the members of the Limited Liability Partnership and authorised for issue on 05 July 2021.

Phillip Rose

Designated member

The notes on pages 39 to 49 form part of these financial statements.

Consolidated statement of movement in members' interest

For the year ended 31 March 2021

	Members' capital (classified as equity) £	Amounts attributable to members £	Non-controlling interests £	Total £
As at 1 April 2020	10,357,797	12,336,975	2,325,401	25,020,173
Profit for the year	-	15,306,341	3,514,501	18,820,842
Members' interests after profit for the year	10,357,797	27,643,316	5,839,902	43,841,015
Comprehensive income - currency translation differences	-	(14,115)	-	(14,115)
Other comprehensive income for the year	-	(14,115)	-	(14,115)
Total members' interests after profits for the year and comprehensive income	10,357,797	27,629,201	5,839,902	43,826,900
Contributions by and distributions to members				
Distribution in specie	-	(20,492,633)	(58,121)	(20,550,754)
Drawings	-	(2,790,106)	(3,381,596)	(6,171,702)
Other adjustments	(998)	16,148	(16,148)	(998)
Total contributions by and distributions to members	(998)	(23,266,591)	(3,455,865)	(26,723,454)
As at 31 March 2021	10,356,799	4,362,610	2,384,037	17,103,446

The notes on pages 39 to 49 form part of these financial statements.

Consolidated statement of movement in members' interest

For the prior year ended 31 March 2020

	Members' capital (classified as equity) £	Amounts attributable to members £	Non-controlling interests £	Total £
As at 1 April 2019	28,379,108	40,878,640	1,554,472	70,812,220
Profit for the year	-	19,371,399	3,554,284	22,925,683
Members' interests after profit for the year	28,379,108	60,250,039	5,108,756	93,737,903
Comprehensive income - currency translation differences	-	(129,530)	-	(129,530)
Comprehensive income – share buy backs	-	1,617,006	-	1,617,006
Comprehensive income – other adjustments	-	(52,269)	-	(52,269)
Other comprehensive income for the year	-	1,435,207	-	1,435,207
Total members' interests after profits for the year and comprehensive income	28,379,108	61,685,246	5,108,756	95,173,110
Contributions by and distributions to members				
Contributions	10,000,000	-	-	10,000,000
Distribution in specie	(28,021,311)	(31,369,652)	-	(59,390,963)
Drawings	-	(17,884,906)	(2,877,068)	(20,761,974)
Other adjustments	-	(93,713)	93,713	-
Total contributions by and distributions to members	(18,021,311)	(49,348,271)	(2,783,355)	(70,152,937)
As at 31 March 2020	10,357,797	12,336,975	2,325,401	25,020,173

Members' other reserves rank after unsecured creditors and loans and other debts due to members rank pari passu with ordinary creditors in the event of a winding up.

The notes on pages 39 to 49 form part of these financial statements.

Consolidated statement of cash flow

For the year ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Profit for the year before members' remuneration and profit shares		18,820,842	22,925,683
Adjustments for:			
Depreciation	10	99,924	88,062
Amortisation	11	549,005	221,865
Decrease/(increase) in debtors		1,709,245	1,368,807
(Decrease)/increase in creditors		(2,422)	(657,950)
Currency translation		(13,112)	(129,226)
Net interest receivable	6	(52,072)	(64,677)
Gain on disposal of investment	7	-	(1,947)
Taxation		(24,407)	(12,781)
Fair value movement of investments		7,625	(37,770)
Movements in associate		-	(1,071,055)
Net cash inflow from operating activities		21,094,628	22,629,011
Returns on investments and servicing of finance			
Interest received	6	52,072	64,677
		52,072	64,677
Taxation (paid)		(37,973)	(2,458)
Capital expenditure and financial investment			
Purchase of tangible fixed assets	10	(46,618)	(95,375)
Purchase of intangible fixed assets	11	(10,800)	(243,822)
Investments made	12	(31,209)	(20,367,311)
Sale of investments	12	-	20,283,357
Cash on deconsolidation of subsidiary		-	(10,649,590)
		(88,627)	(11,072,741)
Transactions with members			
Payments to members		(23,282,739)	(17,884,906)
Capital contributions		-	10,000,000
Capital repayments		(998)	-
		(23,283,737)	(7,884,906)
Transactions with non-controlling interests			
Drawings of non-controlling interests		(3,439,717)	(2,877,068)
Increase in cash		(5,703,354)	856,515
Cash at start of year		21,954,802	21,098,287
Cash at end of year		16,251,448	21,954,802

The notes on pages 39 to 49 form part of these financial statements.

Partnership statement of financial position

At 31 March 2021

OC312705	Note	2021 £	2020 £
Non-current assets			
Tangible assets	10	74,543	118,919
Investments	12	1,635,476	2,679,330
Debtors	14	271,906	178,783
		1,981,925	2,977,032
Current assets			
Debtors	14	4,184,250	5,983,823
Cash at bank and in hand		11,007,380	17,886,877
		15,191,630	23,870,700
Creditors: amounts falling due within one year			
Creditors	15	(4,667,626)	(4,557,650)
Net current assets		10,524,004	19,313,050
Net assets attributable to members		12,505,929	22,290,082
Represented by:			
Loans and other debts due to members within one year			
Amounts due to members		1,851,706	11,634,861
Members' other interests			
Members' capital classified as equity		10,356,799	10,357,797
Other reserves		297,424	297,424
Total members' interests		12,505,929	22,290,082
Total members' interest			
Amounts due to members		1,851,706	11,634,861
Members' capital		10,356,799	10,357,797
Members' other interests – other reserves		297,424	297,424
		12,505,929	22,290,082

The financial statements were approved by the members of the Limited Liability Partnership and authorised for issue on 05 July 2021. The Partnership has taken advantage of the exemption under section 408 of the 2006 Companies Act not to disclose the Partnership profit and loss account. Included in the consolidated profit and loss account is a profit of £13,499,584 (2020: £18,611,288) relating to the Partnership.

Phillip Rose

Designated member

The notes on pages 39 to 49 form part of these financial statements.

Partnership statement of movement in members' interest

For the year ended 31 March 2021

31 March 2021	Members' capital (classified as equity)	Other reserves	Amounts attributable to members	Total
	£	£	£	£
As at 1 April 2020	10,357,797	297,424	11,634,861	22,290,082
Profit for the year	-	-	13,499,584	13,499,584
Total members' interests after profits for the year and comprehensive income	10,357,797	297,424	25,134,445	35,789,666
Contributions by and distributions to members				
Return of Capital	(998)	-	-	(998)
Drawings	-	-	(23,282,739)	(23,282,739)
Total contributions by and distributions to members	(998)	-	(23,282,739)	(23,283,737)
As at 31 March 2021	10,356,799	297,424	1,851,706	12,505,929

31 March 2020	Members' capital (classified as equity)	Other reserves	Amounts attributable to members	Total
	£	£	£	£
As at 1 April 2019	28,379,108	(12,560,936)	10,829,062	26,647,234
Profit for the year	-	-	18,611,288	18,611,288
Total members' interests after profits for the year and comprehensive income	28,379,108	(12,560,936)	29,440,350	45,258,522
Contributions by and distributions to members				
Capital contributions	10,000,000	-	-	10,000,000
Distribution in specie	(28,021,311)	12,858,360	-	(15,162,951)
Drawings	-	-	(17,805,489)	(17,805,489)
Total contributions by and distributions to members	(18,021,311)	12,858,360	(17,805,489)	(22,968,440)
As at 31 March 2020	10,357,797	297,424	11,634,861	22,290,082

The notes on pages 39 to 49 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, including the Statement of Recommended Practice (SORP), 'Accounting by Limited Liability Partnerships', issued in January 2017.

The presentation currency is £ sterling.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the LLP's members to exercise judgement in applying the Group's accounting policies (see note 2).

Going Concern

Alpha is not isolated from the impact of the Covid-19 pandemic on global economies. Alpha's long-term strategy remains resilient. Alpha maintains significant cash reserves and has no external borrowings. The Partnership mitigates its financial risks through a process of continual monitoring of forecast earnings and cash flows. Bearing in mind the nature of its business and assets the members consider that the business has adequate resources to continue in operational existence for the foreseeable future. For this reason, the members continue to adopt the going concern basis in preparing the financial statements.

Alpha Real Capital LLP disclosure exemptions

In preparing the separate financial statements of the LLP, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the LLP; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the LLP as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements present the results of Alpha Real Capital LLP and its subsidiaries ("the Group") as if they formed a single entity. Inter group transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Associates

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for under the equity method of accounting. Under this method, an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit and loss, other comprehensive income and equity of the associate. The consolidated statement of comprehensive income includes the Group's share of the operating result, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with the Group. In the consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets.

Turnover

Turnover represents the invoiced value of services provided net of value added tax. Management and incentive fees are recognised as earned in accordance with the relevant investment management agreement.

Dividend income from investments is recognised when the shareholders' rights to receive payment is established.

Interest income is accrued on a time proportionate basis by reference to the principal outstanding and at the interest rate applicable, on an effective yield basis.

Gains or losses on sale of investments are recognised on disposal date.

Other income is accrued when prudent to do so.

Cost of sales

Cost of sales reflects costs attributable to adviser commission, bad debt provision and other fund related operating expenses.

Operating expenses

Operating expenses reflect costs attributable to adviser commission, bad debt provision and other fund related operating expenses.

Notes to the financial statements (continued)

For the year ended 31 March 2021

1. Accounting policies (continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

Where the Group has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued as the 'wear and tear' continues.

Taxation

Taxation on a members' share of the LLP's profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements. The tax within these consolidated financial statements relate to the corporate subsidiaries of the Group.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the LLP's subsidiaries operate and generate taxable income.

Deferred tax balances are recognised in respect of all temporary timing differences that have originated but not reversed by the balance sheet date.

Deferred tax is determined on the basis of tax effect accounting, using the liability method, and is applied to all temporary differences at the reporting date between the carrying amounts of assets and liabilities and the amounts used for tax purposes except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised, where material, for all taxable temporary differences except those mentioned above. Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in 'sterling', which is the LLP's functional and the Group's presentation currency.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transaction took place. All assets and liabilities of overseas operations are translated at the rate ruling at the operating date. Exchange differences arising on translating opening net assets at opening rate and the results of the overseas operations at actual rate are taken to reserves and are recognised in other comprehensive income.

(b) Transactions and balances

Foreign currency transactions are translated into the Group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses are presented in profit and loss within 'other operating income or expense'.

Tangible fixed assets

Tangible fixed assets, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation

Depreciation is provided on all tangible fixed assets to write off the cost or valuation, less estimated residual values, evenly over their estimated useful lives using the straight-line method. The estimated useful lives range as follows:

Leasehold improvements	-	16.66%
Computer equipment	-	33.33%
Fixtures and fittings	-	20.00% to 33.33%
Software development	-	33.33%

Notes to the financial statements (continued)

For the year ended 31 March 2021

1. Accounting policies (continued)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income or losses' in the statement of comprehensive income.

Disposals are recognised on unconditional exchange.

Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a straight line basis over their estimated useful life. The useful economic lives of intangible assets are as follows:

- Computer software - 3 years

If there is an indication that there has been a significant reduction in the fair value of an asset, the amortisation of that asset is amended accordingly.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares which have been classified as fixed asset investments as the Group intends to hold them on a continuing basis, are re-measured to market value at each balance sheet date. Gains and losses on re-measurement are recognised in profit or loss for the period.

Debtors

Debtors are measured at the transaction price, less any impairment.

Cash

Cash at bank and in hand consist of cash and cash balances held with banks.

Creditors

Creditors are measured at the transaction price.

Financial assets

(a) Recognition and de-recognition

Financial assets are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Regular way of purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the assets.

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the carrying amount and the net sale proceeds is recognised in profit or loss. Any amount in the fair value reserve relating to the asset is reclassified from other comprehensive income to profit or loss.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(b) Initial and subsequent measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

After initial recognition, loans and receivables are carried at amortised cost, where applicable, using the effective interest rate method, less impairment loss, if any. Current asset investments are subsequently carried at fair value.

The effective interest method is a method that calculates the amortised cost of a financial instrument and allocates the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period.

Derivatives at fair value through profit or loss are carried in the statement of financial position at fair value, with changes in fair value recognised in the statement of profit or loss and other comprehensive income.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less any impairment losses.

Interest and dividend income from current asset investments are recognised separately in profit or loss.

Notes to the financial statements (continued)

For the year ended 31 March 2021

1. Accounting policies (continued)

(c) Impairment

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

(i) Loans and receivables

The Group considers evidence of impairment for loans and receivables at a specific asset level. All individually significant loans and receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised.

When the asset becomes uncollectible, it is written off against the allowance account. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Investments

Significant or prolonged declines in the fair value of the security below its cost and the disappearance of an active trading market for the security are objective evidence that the security is impaired.

If any evidence of impairment exists, the cumulative loss that was recognised in the fair value reserve is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense.

Financial liabilities

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at cost which represents the fair value of the consideration to be paid in the future, less transaction cost, for goods received or services rendered, whether or not billed to the Group, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Other financial liabilities comprise loans and borrowings and trade and other payables.

Gains or losses are recognised in profit and loss when the liabilities are derecognised as well as through the amortisation process.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(a) Recognition and de-recognition

Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are derecognised when the contractual obligation has been discharged or cancelled or expired.

On de-recognition of a financial liability, the difference between the carrying amount and consideration paid is recognised in the statement of profit or loss and other comprehensive income.

Members' capital

Initial capital contributions ('principal capital') of each of the members are amounts as set out in the Deed. Further members shall contribute upon admission to the LLP such capital as determined by the members.

No member can withdraw or receive back any part of their principal capital contribution account except for in specific circumstances as detailed in the Deed and approved by the members. Members' principal capital is therefore classified as equity.

Profit allocations

Profit allocations are recognised in the year in which they are declared and become a present obligation of the LLP.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Notes to the financial statements (continued)

For the year ended 31 March 2021

1. Accounting policies (continued)

Pension costs

Contributions to the Group's defined contribution pension scheme are charged to profit or loss in the year to which they become payable.

Onerous leases

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease.

Insurance costs

Insurance premiums are expensed to the profit and loss account over the period of the insurance cover. Provisions are made for any uninsured excess that is likely to be payable in respect of claims made. These are based on best estimate of the expected cash outflows, discounted to present value where appropriate.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain accounting judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying the Group's accounting policies

The areas where judgements are most significant to the financial statements are disclosed below:

- Determine whether there are indicators of impairment of the Group's assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- To establish a provision for receivables which are estimated not to be recoverable. When assessing recoverability, factors such as the age of the receivables, past experience of recoverability, and the credit profile of customers are considered.

(b) Other key sources of estimation uncertainty

The areas where estimates are most significant to the financial statements are disclosed below:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors such as how an asset is used, significant unexpected wear and tear, technological advancement, and changes in market prices.

Recoverability of receivables

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability, the Group considers factors such as the age of the receivables, past experience of recoverability, and the credit profile of customers.

3. Turnover

	2021	2020
	£	£
Group turnover consists of:		
Fee income	39,678,249	41,961,779

Fee income is wholly attributable to the principal activity of the Group, and arises primarily within the United Kingdom, the Isle of Man and the Channel Islands.

Notes to the financial statements (continued)

For the year ended 31 March 2021

4. Operating profit

	2021	2020
	£	£
Group operating profit has been arrived at after charging:		
Depreciation	99,924	88,062
Amortisation	549,005	221,865
Auditor's remuneration – audit services	53,040	57,900
Fees payable to company's auditor for other services to the group	49,444	56,098
Operating lease payments	589,835	457,734

Included within auditor's remuneration for audit services above is £24,540 (2020: £28,400) payable to the auditors of the subsidiary entities.

5. Employees

	2021	2020
	£	£
Staff costs includes:		
Wages and salaries	10,904,932	10,348,344
Social security costs	2,025,946	1,058,657
Pension	265,723	228,898
	13,196,601	11,635,899

The average number of employees during the year was 128 (2020: 108).

6. Interest receivable

	2021	2020
	£	£
Bank interest receivable	44,556	63,789
Interest receivable on loan to a related party	7,516	888
	52,072	64,677

7. Income from current asset investments

	2021	2020
	£	£
Gain on disposal of investments	-	1,947

Notes to the financial statements (continued)

For the year ended 31 March 2021

8. Taxation on profit on ordinary activities

	2021	2020
	£	£
Group foreign tax	12,474	(4,850)
Share of associate tax	-	20,407
Other taxes	(36,861)	(7,931)
Total current tax charge	(24,407)	7,626

The Group tax assessed for the year is different to the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2021	2020
	£	£
Profit on ordinary activities before taxation	18,796,435	22,933,309
Corporation tax in the UK of 19% (2020: 19%)	3,571,323	4,357,329
Effect of:		
Income taxed as members' personal tax	(3,595,730)	(4,349,703)
	(24,407)	7,626

9. Members' share of profits

Profits and losses are shared by the members at the end of the year in accordance with agreed profit and loss sharing arrangements governed by the Deed. Members are required to make their own provision for pensions and other benefits from their profit shares.

	2021	2020
	Number	Number
Average number of members	13	14
	£	£
Average profit per member	1,447,757	1,637,549
Entitlement of partner with largest profit share	7,871,795	9,486,001

Notes to the financial statements (continued)

For the year ended 31 March 2021

10. Tangible assets

Group	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	235,361	100,397	349,235	684,993
Additions	-	1,448	45,170	46,618
Disposals	-	-	-	-
Foreign exchange translation	(1,249)	(2,099)	(1,261)	(4,609)
Reclassified as intangible fixed assets	-	-	-	-
At 31 March 2021	234,112	99,746	393,144	727,002
Depreciation				
At 1 April 2020	208,946	74,596	236,078	519,620
Depreciation provided	26,414	9,171	64,339	99,924
Disposals	-	-	-	-
Foreign exchange translation	(1,249)	(1,306)	(1,051)	(3,606)
At 31 March 2021	234,111	82,461	299,366	615,938
Net book value				
At 31 March 2021	1	17,285	93,778	111,064
At 31 March 2020	26,415	25,801	113,157	165,373

Partnership	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	217,575	58,494	169,960	446,029
Additions	-	402	31,650	32,052
Disposals	-	-	-	-
At 31 March 2021	217,575	58,896	201,610	478,081
Depreciation				
At 1 April 2020	191,161	34,231	101,718	327,110
Depreciation provided	26,414	8,213	41,801	76,428
Disposals	-	-	-	-
At 31 March 2021	217,575	42,444	143,519	403,538
Net book value				
At 31 March 2021	-	16,452	58,091	74,543
At 31 March 2020	26,414	24,263	68,242	118,919

Notes to the financial statements (continued)

For the year ended 31 March 2021

11. Intangible assets

Group	Computer software £
Cost	
At 1 April 2020	760,070
Additions	10,800
At 31 March 2021	770,870
Amortisation	
At 1 April 2020	221,865
Amortisation provided	549,005
At 31 March 2021	770,870
Net book value	
At 31 March 2021	-
At 31 March 2020	538,205

12. Investments

Group	Investments £
Cost and net book value	
At 1 April 2020	310,561
Investment made	31,209
Investment disposals	-
Gains/(losses) on changes in fair value of investments	(7,625)
At 31 March 2021	334,145
Analysed as:	
Non-current	334,145
	334,145

Partnership	Subsidiaries £	Investments £	Total £
Cost and net book value			
At 1 April 2020	2,381,945	297,385	2,679,330
Investment made	-	31,118	31,118
Investment disposals	(1,000)	-	(1,000)
Gains/(losses) on changes in fair value	-	(14,000)	(14,000)
Provision against investment in subsidiary	(1,059,972)	-	(1,059,972)
At 31 March 2021	1,320,973	314,503	1,635,476
Analysed as:			
Non-current	1,320,973	314,503	1,635,476
	1,320,973	314,503	1,635,476

Notes to the financial statements (continued)

For the year ended 31 March 2021

12. Investments (continued)

	Country of incorporation	Percentage owned and voting rights	Principal activity
Subsidiary undertakings:			
Alpha Real Property Investment Advisers LLP	England and Wales	98.70%	Property fund management
Alpha Real Capital France S.a.r.l.	France	100.00%	Property management services
Alpha Real Capital Germany GmbH	Germany	100.00%	Property management services
Alpha Real Capital India Pvt Ltd	India	100.00%	Property management services
Alpha Real Technology LLP	England and Wales	100.00%	Data centre consultancy
Alternative Real Capital LLP *	England and Wales	100.00%	Fund management services
Alpha Property Lending LLP *	England and Wales	100.00%	Asset backed lending
ARC SP LLP	England and Wales	100.00%	Asset management
OWN PRS LLP *	England and Wales	100.00%	PRS asset management
Fitzrovia Finance Limited	England and Wales	100.00%	P2P lending platform
Fitzrovia Finance Security Ltd *	England and Wales	100.00%	P2P lending platform
Alpha Real Capital Services Ltd	England and Wales	100.00%	Management Services
ARC SP Holdings Limited	England and Wales	100.00%	Management Services
ARC SP No.1 Limited *	England and Wales	100.00%	Management Services
ARC SLINW GP Limited	England and Wales	100.00%	General partner to Social Long Income North-West LP
ELIF GP S.a.r.l.*	Luxembourg	100.00%	General partner to European Long Income Fund Sp SICAV-RAIF
ARC Finance Luxembourg S.a.r.l.*	Luxembourg	100.00%	Management Services

* Dormant as at 31 March 2021

13. Share of Associate's profit before tax

	2021 £	2020 £
Share of operating (loss)/profit	-	(367,555)
Share of joint venture profit	-	110,627
Interest receivable	-	1,521,490
Interest payable	-	(58,196)
	-	1,206,366
Taxation	-	(20,407)
	-	1,185,959

14. Debtors

	2021 Group £	2021 Partnership £	2020 Group £	2020 Partnership £
Due after more than one year				
Trade debtors	271,906	271,906	178,783	178,783
Due within less than one year				
Trade debtors	4,233,910	2,420,163	3,963,624	2,120,881
Other debtors	1,702,891	1,395,012	3,407,984	3,105,157
Prepayments and accrued income	572,745	296,321	940,305	604,237
Amount due from group undertakings	-	72,755	-	153,548
	6,509,546	4,184,251	8,311,913	5,983,823

Notes to the financial statements (continued)

For the year ended 31 March 2021

15. Creditors: amounts falling due within one year

	2021 Group £	2021 Partnership £	2020 Group £	2020 Partnership £
Trade creditors	516,326	111,959	655,164	379,979
Other tax and social security	1,204,523	793,338	1,117,891	612,445
Other creditors	997,767	159,968	693,449	189,847
Accruals and deferred income	3,656,046	1,332,851	3,972,959	1,489,294
Amount owed to group undertakings	-	2,269,510	-	1,886,085
	6,374,662	4,667,626	6,439,463	4,557,650

16. Commitments under operating leases

The Group had total lease commitments under non-cancellable operating leases as set out below:

	2021 £	2020 £
Within one year	295,515	594,772
In one to five years	-	-
	295,515	594,772

All operating leases are in respect of rent of land and buildings.

17. Ultimate controlling parties

At 31 March 2021, the ultimate controlling parties were the designated members.

18. Related party transactions

The Partnership recognises members and subsidiary partnerships with non-controlling interests as related parties and the transactions with these parties are detailed below. Transactions with wholly owned subsidiary companies, which are related parties, are eliminated on consolidation and not disclosed in this note.

Alpha Real Capital LLP ("ARC") provides property and investment management services to Alpha Real Trust Limited ("ART"). ARC partners own shareholdings in ART either directly or indirectly through shareholdings in Alpha Global Property Securities Fund PTE Limited ("AGPSF"). ART was an associate company up until December 2019 when the shares in AGPSF were distributed in specie to the partners of ARC. During the year property and investment management services totalling £2,297,135 (2020: £2,307,849) were supplied to ART. At 31 March 2021, the balance of fees owed to ARC was £580,542 (2020: £643,451).

AGPSF was previously a subsidiary of ARC but left the Group in December 2019 following the distribution of shares of AGPSF to the members of ARC. AGPSF remains a related party following this distribution.

During the year, ARC lent AGPSF a total of £47,889.06 (2020: £1,200,000). During the year loans to AGPSF generated interest of £7,516 (2020: £888). At 31 March 2021 £nil was due from AGPSF (2020: £1,200,888).

Members and information

Members

P Rose *
B J Bauman *
Rockmount ARC Limited *
K Devon-Lowe
M Rattigan
N Friedlos
Libran Limited
N Ashfield
P Grant
S Gardner
T Pissarro
E Palmer

* Designated members

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Royal Bank of Scotland Plc
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