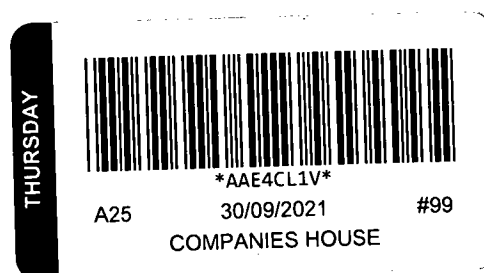


Company Registration No. 04631280 (England and Wales)

KARLSON UK LIMITED

**FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2020**

PAGES FOR FILING WITH REGISTRAR



KARLSON UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

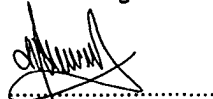
KARLSON UK LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2020**

		31 December 2020		31 January 2020 as restated Unaudited	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	5		86,445		-
Tangible assets	6		23,006		193,449
			<u>109,451</u>		<u>193,449</u>
Current assets					
Stocks		1,319,021		1,200,634	
Debtors	7	2,486,875		4,330,879	
Cash at bank and in hand		238,447		650,427	
		<u>4,044,343</u>		<u>6,181,940</u>	
Creditors: amounts falling due within one year	8	<u>(3,899,685)</u>		<u>(6,547,586)</u>	
Net current assets/(liabilities)			<u>144,658</u>		<u>(365,646)</u>
Total assets less current liabilities			<u>254,109</u>		<u>(172,197)</u>
Provisions for liabilities	9		<u>(14,387)</u>		<u>(34,312)</u>
Net assets/(liabilities)			<u><u>239,722</u></u>		<u><u>(206,509)</u></u>
Capital and reserves					
Called up share capital	10		440		400
Share premium account			13,206		-
Capital redemption reserve			80		80
Profit and loss reserves			<u>225,996</u>		<u>(206,989)</u>
Total equity			<u><u>239,722</u></u>		<u><u>(206,509)</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 14th July 2021... and are signed on its behalf by:



A J Unalkat
Director

KARLSON UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
As restated for the period ended 31 January 2020:						
Balance at 1 February 2019 (Unaudited)		400	-	80	(520,166)	(519,686)
Effect of prior period adjustment		-	-	-	(306,247)	(306,247)
As restated		400	-	80	(826,413)	(825,933)
Period ended 31 January 2020 (Unaudited):						
Profit and total comprehensive income for the period		-	-	-	699,424	699,424
Other movements - purchase of own shares		-	-	-	(80,000)	(80,000)
Balance at 31 January 2020 (Unaudited)		400	-	80	(206,989)	(206,509)
Period ended 31 December 2020:						
Profit and total comprehensive income for the period		-	-	-	432,985	432,985
Issue of share capital	10	40	13,206	-	-	13,246
Balance at 31 December 2020		440	13,206	80	225,996	239,722

KARLSON UK LIMITED

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

1 Accounting policies

Company information

Karlson UK Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 9-10 Plowright Place, Swaffham, Norfolk, PE37 7LQ.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

Going concern

As part of the going concern review, the directors have reviewed the forecast cash flows, liquidity, borrowing facilities and related covenant requirements of both the company and the wider Aura Group banking arrangements in which it is a member. This included an assessment of the impact of principal risks and uncertainties faced by the business and those specifically brought about by the effects of the pandemic.

The directors reviewed and approved the forecasts produced by management that included various sensitivities and reverse stress testing to understand the ongoing impact of Covid-19. The forecast performance demonstrates that both the company and the wider Aura group has sufficient cash reserves and available headroom under its banking and shareholder facilities and is forecast to remain in compliance with its financial covenants for a period of at least 12 months from the date of signing the accounts.

The directors believe that the recent improvements in trading performance, increases in the leads and opportunities pipelines, a highly relevant and diverse value proposition and access to further shareholder liquidity if required all position the company and the wider Aura group well to manage ongoing financing commitments.

Accordingly, there is a reasonable expectation that the company and the wider Aura group will have adequate resources to continue to operate for the foreseeable future and as such the financial statements have been prepared using the going concern basis of accounting.

Reporting period

During the period the company changed its reporting date from 31 January to 31 December in order to bring the reporting date in line with other group companies. Therefore, the results for the current period represent an 11 month period and are not entirely comparable.

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Turnover

Revenue consists of revenue earned less value added tax in the year from the sale, rental and servicing of document processing equipment, the sales of supplies and the provision of facilities management and consultancy services.

Revenue is recognised when earned. Revenue is earned when following criteria are met:

- there is a persuasive evidence of contract / sales agreement;
- delivery has occurred and / or services have been rendered in accordance with contract or agreement;
- the price is fixed or determinable; and
- the collectability is reasonably assured.

Revenue accruals are based principally on timing differences on customer billings that are in arrears. Deferred income is based principally on timing differences on customer billings that are in advance. Deferred income is the net of rebates and discounts.

Solution revenues are recognised as solutions are delivered and installed. Software licences software hosting, services and support revenues and their associated costs are recognised over the period to which they pertain.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation.

Amortisation is recognised so as to write off the cost over their useful lives on the following bases:

Software	25% straight line
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance
Fixtures and fittings	25% straight line or 15% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the period. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated 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 in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

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

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments.

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

The company received a discretionary cash grant of £39,474 from the government as part of the Coronavirus Job Retention Scheme (CJRS) which compensates employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). The grant is conditional upon the employees being employed and on the company PAYE payroll and the employee cannot do any work for their employer that makes money or provides services for their employer or any organisation linked or associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant and the company has received no other forms of government assistance.

Foreign exchange

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

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

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

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

2 Prior period adjustment

The directors have revisited the accounting for stock in field using a more accurate and reliable methodology resulting in a restatement of stock over a number of years. The cumulative adjustment reduces stock at 31 January 2020 by £409,462, with this allocated between comparative cost of sales of £301,559 and opening reserves of £306,247 as shown below.

The directors have discovered that stock held on behalf of third parties was included in other creditors in the prior year. This has now been adjusted by increasing creditors and stock by £198,344. There has been no impact on reserves.

The unaudited balance sheet for the year ended 31 January 2019 included stock which was not on the stock listing of £196,489. The directors have therefore decreased the stock balance and the opening reserves by this amount.

These changes are quantified as follows:

Changes to the statement of financial position

	As previously reported £	Adjustment at 1 Jan 2019 £	Adjustment at 31 Jan 2020 £	As restated at 31 Jan 2020 £
Current assets				
Stocks	1,610,096	(306,247)	(103,215)	1,200,634
Creditors due within one year				
Other creditors	(5,572,301)	-	(198,344)	(5,770,645)
Net assets	401,297	(306,247)	(301,559)	(206,509)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital and reserves				
Profit and loss	400,817	(306,247)	(301,559)	(206,989)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the period was 20 (January 2020 Unaudited: 35).

On 1 October 2020 the employees of Karlson UK Limited were transferred to Aura Futures Limited, the immediate parent company.

4 Directors' remuneration

	December 2020 £	January 2020 Unaudited £
Remuneration paid to directors	95,734	850,000
	<u> </u>	<u> </u>

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

5 Intangible fixed assets

	Software £
Cost	
Additions	27,755
Transfers	137,381
	<hr/>
At 31 December 2020	165,136
	<hr/>
Amortisation	
Amortisation charged for the period	4,763
Transfers	73,928
	<hr/>
At 31 December 2020	78,691
	<hr/>
Carrying amount	
At 31 December 2020	86,445
	<hr/>
At 31 January 2020 (Unaudited)	-
	<hr/>

6 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 February 2020 (Unaudited)	573,767
Additions	7,573
Disposals	(393,583)
Transfers	(137,381)
	<hr/>
At 31 December 2020	50,376
	<hr/>
Depreciation	
At 1 February 2020 (Unaudited)	380,318
Depreciation charged in the period	42,937
Eliminated in respect of disposals	(321,957)
Transfers	(73,928)
	<hr/>
At 31 December 2020	27,370
	<hr/>
Carrying amount	
At 31 December 2020	23,006
	<hr/>
At 31 January 2020 (Unaudited)	193,449
	<hr/>

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

7 Debtors

	December 2020	January 2020 Unaudited
	£	£
Amounts falling due within one year:		
Trade debtors	638,510	1,662,981
Corporation tax recoverable	-	252,031
Amounts owed by group undertakings	909,052	-
Other debtors	-	1,622,252
Prepayments and accrued income	939,313	793,615
	<u>2,486,875</u>	<u>4,330,879</u>

8 Creditors: amounts falling due within one year

	December 2020	January 2020 as restated Unaudited
	£	£
Bank loans and overdrafts	-	43,750
Trade creditors	1,205,807	1,836,126
Corporation tax	70,987	157,126
Other taxation and social security	227,320	576,065
Other creditors	56,171	41,929
Accruals and deferred income	2,339,400	3,892,590
	<u>3,899,685</u>	<u>6,547,586</u>

9 Provisions for liabilities

	December 2020	January 2020 Unaudited
	£	£
Deferred tax liabilities	<u>14,387</u>	<u>34,312</u>

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

10 Called up share capital

	December 2020	January 2020 Unaudited
	£	£
Ordinary share capital		
Issued and fully paid		
440 (January 2020: 200) Ordinary shares of £1 each	440	200
200 Ordinary A shares of £1 each	-	200
	<u>440</u>	<u>400</u>

During the period 40 £1 Ordinary A shares were issued at a value of £331.16 per share for cash consideration.

During the period 240 Ordinary A shares were re-designated to 240 Ordinary £1 shares.

11 Financial commitments, guarantees and contingent liabilities

The company together with other group companies, have acted as guarantors in respect of amounts owed by Aura Futures Limited, a fellow group company, to Cordet. At the reporting date an amount of £10,487,167 was included in the guarantee.

12 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	December 2020	January 2020 Unaudited
	£	£
Within one year	12,140	12,140
Between one and five years	-	12,140
	<u>12,140</u>	<u>24,280</u>

KARLSON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

13 Parent company

The immediate parent company is Aura Futures Limited, a company incorporated in England and Wales with a registered office of Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB.

The smallest group to prepare consolidated financial statements which includes Karlson UK Limited is Aura Futures Holdings Limited, a company incorporated in England and Wales (registered office: Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB). These financial statements will be available from Companies House.

The largest group to prepare consolidated financial statements which includes Karlson UK Limited is Aura Futures Group Holdings Limited, a company incorporated in England and Wales (registered office: Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB). These financial statements will be available from Companies House.

14 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Other matter – prior year financial statements are unaudited

The company was not required to have a statutory audit for the year ended 31 January 2020 as it was entitled to exemption from the provision of the Companies Act 2006 relating to the audit of financial statements for the year by virtue of Section 477 and no member or members requested an audit pursuant to Section 476 of the Act. Accordingly the corresponding figures for the year ended 31 January 2020 are unaudited.

The senior statutory auditor was Marc Summers BSc(Hons) FCA.
The auditor was Grant Thornton UK LLP.