

**UNITED CAPITAL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Sempar Accountancy and Tax Limited

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United Kapital Limited
Unaudited Financial Statements
For The Year Ended 31 December 2020

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United Kapital Limited
Balance Sheet
As at 31 December 2020

Registered number: 06575165

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible Assets	3		67,337		89,415
Tangible Assets	4		3,706		14,414
			<u>71,043</u>		<u>103,829</u>
CURRENT ASSETS					
Debtors	5	4,908,811		4,377,083	
Cash at bank and in hand		<u>14,788</u>		<u>84,430</u>	
		4,923,599		4,461,513	
Creditors: Amounts Falling Due Within One Year	6	(2,140,187)		(2,052,308)	
		<u></u>		<u></u>	
NET CURRENT ASSETS (LIABILITIES)			<u>2,783,412</u>		<u>2,409,205</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,854,455</u>		<u>2,513,034</u>
Creditors: Amounts Falling Due After More Than One Year	7		664,235		546,057
PROVISIONS FOR LIABILITIES					
Deferred Taxation			<u>(12,392)</u>		<u>-</u>
NET ASSETS			<u>3,506,298</u>		<u>3,059,091</u>
CAPITAL AND RESERVES					
Called up share capital	8		2		2
Profit and Loss Account			<u>3,506,296</u>		<u>3,059,089</u>
SHAREHOLDERS' FUNDS			<u>3,506,298</u>		<u>3,059,091</u>

United Kapital Limited
Balance Sheet (continued)
As at 31 December 2020

For the year ending 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities

- The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

David A. Goldin
David A. Goldin (304121472) 19-10-2021

Mr David Goldin

Director

11 December 2021

The notes on pages 3 to 7 form part of these financial statements.

United Kapital Limited
Notes to the Financial Statements
For The Year Ended 31 December 2020

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

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.

1.2. Going Concern Disclosure

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The foreseeable future is defined as a period of not less than 12 months from the date of approval of these financial statements.

The company meets its day to day working capital requirements through support from its immediate parent company, Capify UK Group Limited. The director has received written confirmation that the group parent company, Capify Holdings Limited, intends to continue to provide this support for the foreseeable future. The director therefore considers it appropriate to prepare these accounts on a going concern basis.

1.3. Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes.

Turnover in respect of services provided, is calculated as attributable costs plus 10% in accordance with an intercompany agreement between United Kapital Limited and United Kapital Limited LLC, or as attributable costs plus 7.5% with Auscastle II Pty.

1.4. Intangible Fixed Assets and Amortisation - Other Intangible

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

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

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

Software - 3 years straight line

1.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	5 years straight line
Computer Equipment	3 years straight line

United Kapital Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

1.6. Financial Instruments

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

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, amounts due from fellow group undertakings, 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 loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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 direct issue costs.

1.7. Foreign Currencies

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.

United Kapital Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

1.8. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.9. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 57 (2019: 59)

3. Intangible Assets

	Other £
Cost	
As at 1 January 2020	166,147
Additions	142,014
As at 31 December 2020	<u>308,161</u>
Amortisation	
As at 1 January 2020	76,732
Provided during the period	164,092
As at 31 December 2020	<u>240,824</u>
Net Book Value	
As at 31 December 2020	<u>67,337</u>
As at 1 January 2020	<u>89,415</u>

United Kapital Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

4. Tangible Assets

	Fixtures & Fittings	Computer Equipment	Total
	£	£	£
Cost			
As at 1 January 2020	168,482	72,779	241,261
As at 31 December 2020	<u>168,482</u>	<u>72,779</u>	<u>241,261</u>
Depreciation			
As at 1 January 2020	160,549	66,298	226,847
Provided during the period	<u>6,959</u>	<u>3,749</u>	<u>10,708</u>
As at 31 December 2020	<u>167,508</u>	<u>70,047</u>	<u>237,555</u>
Net Book Value			
As at 31 December 2020	<u>974</u>	<u>2,732</u>	<u>3,706</u>
As at 1 January 2020	<u>7,933</u>	<u>6,481</u>	<u>14,414</u>

5. Debtors

	2020	2019
	£	£
Due within one year		
Prepayments and accrued income	216,394	88,168
Other debtors	-	86,340
VAT	117,709	98,089
Amounts owed by group undertakings	<u>4,574,708</u>	<u>4,104,486</u>
	<u>4,908,811</u>	<u>4,377,083</u>

6. Creditors: Amounts Falling Due Within One Year

	2020	2019
	£	£
Trade creditors	830,752	455,660
Corporation tax	99,894	61,613
Other taxes and social security	316,314	87,138
Accruals and deferred income	90,752	135,002
Amounts owed to group undertakings	<u>802,475</u>	<u>1,312,895</u>
	<u>2,140,187</u>	<u>2,052,308</u>

7. Creditors: Amounts Falling Due After More Than One Year

	2020	2019
	£	£
Other creditors	<u>(664,235)</u>	<u>(546,057)</u>
	<u>(664,235)</u>	<u>(546,057)</u>

United Kapital Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

8. Share Capital

	2020	2019
Allotted, Called up and fully paid	<u>2</u>	<u>2</u>

9. Other Commitments

The total of future minimum lease payments under non-cancellable operating leases are as following:

	Land and buildings	
	2020	2019
	£	£
Within 1 year	136,283	136,283
Between 1 and 5 years	272,566	408,849
	<u>408,849</u>	<u>545,132</u>

10. Related Party Transactions

Entities with control, joint control or significant influence over the entity

Aggregate charges payable to group undertakings during the year £293,372 (2019 : £ 461,667)

11. Ultimate Parent Undertaking and Controlling Party

Amerimerchant Holdings LLC (incorporated in United States of America) is regarded by the director as being the company's ultimate parent company.

The company's immediate parent is Capify UK Group Limited registered office: 7th floor, Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP

The director considers Capify Holdings Limited, registered office: 7th floor, Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP, to be the smallest group for which consolidated accounts are prepared that include this company. The financial statements can be requested from the registered office of Capify Holdings Limited.

12. Financial commitments, guarantees and contingent liabilities

On 11 January 2019, the group entered into a security arrangement with Wilmington Trust (London) Limited as Security Agent to secure the liabilities of the group headed MCAS Ventures LLC to their senior debt providers, including Goldman Sachs International. The balance is secured by a fixed and floating charge and debenture over all the trade and assets of the company, and several group companies in the UK, Australia and USA on a joint and several basis.

During the year the WHO classified the COVID-19 outbreak as a pandemic on 11 March 2020, due to a rapid increase in global exposures. These events had a significant negative impact on global stock markets, currencies and general business activities. As a direct result of the COVID-19 pandemic, covenants within the group's senior lending facility were breached. During the year the group recapitalised and the Senior and Mezzanine Facilities were re-instated. The terms in the facility are reflective of the current economy and gives the group the ability to address further consequences of the pandemic and future growth.

The director expects that the group will continue to meet its obligations under the arrangements and that no liabilities will become payable by the company as a result.

13. General Information

United Kapital Limited is a private company, limited by shares, incorporated in England & Wales, registered number 06575165. The registered office is 7th Floor Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP.