

DELTA CAPITA GROUP LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	5	683,349	-
Tangible assets	6	340,116	244,551
Investments	7	267,470	331,370
		<u>1,290,935</u>	<u>575,921</u>
Current assets			
Debtors		4,080,693	2,914,240
Cash at bank and in hand	8	1,668,361	639,383
		<u>5,749,054</u>	<u>3,553,623</u>
Creditors: amounts falling due within one year	9	(8,679,273)	(4,064,465)
Net current liabilities		<u>(2,930,219)</u>	<u>(510,842)</u>
Total assets less current liabilities		<u>(1,639,284)</u>	<u>65,079</u>
Creditors: amounts falling due after more than one year	10	(200,527)	-
Provisions for liabilities			
Deferred taxation	12	(11,999)	(18,135)
		<u>(11,999)</u>	<u>(18,135)</u>
Net (liabilities)/assets		<u><u>(1,851,810)</u></u>	<u><u>46,944</u></u>
Capital and reserves			
Called up share capital		103	100
Share premium account		224,998	-
Profit and loss account		(1,574,914)	101,565
Equity attributable to owners of the parent Company		<u>(1,349,813)</u>	<u>101,665</u>
Non-controlling interests		(501,997)	(54,721)
		<u><u>(1,851,810)</u></u>	<u><u>46,944</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 October 2020.

B Channer

Director

The notes on pages 9 to 27 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	7	127,405	127,405
		<u>127,405</u>	<u>127,405</u>
Current assets			
Debtors		789,006	388,621
Cash at bank and in hand	8	528,084	15,830
		<u>1,317,090</u>	<u>404,451</u>
Creditors: amounts falling due within one year	9	(705,356)	(58,135)
Net current assets		611,734	346,316
Net assets		<u>739,139</u>	<u>473,721</u>
Capital and reserves			
Called up share capital		103	100
Share premium account		224,998	-
Profit and loss account brought forward		473,621	542,319
Profit for the year		40,417	79,016
Dividends paid		-	(147,714)
		<u>514,038</u>	<u>473,621</u>
Profit and loss account carried forward		<u>739,139</u>	<u>473,721</u>

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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B Channer
Director

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DELTA CAPITAL GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Controlling interests £	Total equity £
At 1 January 2019	100	-	101,565	101,665	(54,721)	46,944
Comprehensive income for the year						
	-	-	(1,834,000)	(1,834,000)	(368,102)	(2,202,102)
Loss for the year						
Exchange differences on translation of foreign operations	-	-	235,278	235,278	-	235,278
Other comprehensive income for the year						
	-	-	235,278	235,278	-	235,278
Total comprehensive income for the year						
	-	-	(1,598,722)	(1,598,722)	(368,102)	(1,966,824)
Dividends: Equity capital	-	-	(77,757)	(77,757)	(79,174)	(156,931)
Shares issued during the year	3	224,998	-	225,001	-	225,001
Total transactions with owners						
	3	224,998	(77,757)	147,244	(79,174)	68,070
At 31 December 2019	103	224,998	(1,574,914)	(1,349,813)	(501,997)	(1,851,810)

The notes on pages 9 to 27 form part of these financial statements.

DELTA CAPITA GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent Company £	Non-controlling interests £	Total equity £
At 1 January 2018	100	1,111,960	1,112,060	(77,928)	1,034,132
Comprehensive income for the year	-	(443,301)	(443,301)	(141,881)	(585,182)
Loss for the year					
Exchange differences on translation of foreign operations	-	(272,581)	(272,581)	-	(272,581)
Other comprehensive income for the year	-	(272,581)	(272,581)	-	(272,581)
Total comprehensive income for the year	-	(715,882)	(715,882)	(141,881)	(857,763)
Dividends: Equity capital	-	(147,714)	(147,714)	(20,046)	(167,760)
Consideration received for acquisition of non-controlling interests	-	38,335	38,335	-	38,335
Net assets disposed of to non-controlling interests	-	(185,134)	(185,134)	-	(185,134)
Net assets acquired by non-controlling interests	-	-	-	185,134	185,134
Total transactions with owners	-	(294,513)	(294,513)	165,088	(129,425)
At 31 December 2018	100	101,565	101,665	(54,721)	46,944

The notes on pages 9 to 27 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Fair value reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2019 (as previously stated)	100	-	1,020,481	487,322	1,507,903
Prior year adjustment	-	-	(1,020,481)	(13,701)	(1,034,182)
At 1 January 2019 (as restated)	100	-	-	473,621	473,721
Comprehensive income for the year					
Profit for the year	-	-	-	40,417	40,417
Total comprehensive income for the year	-	-	-	40,417	40,417
Shares issued during the year	3	224,998	-	-	225,001
Total transactions with owners	3	224,998	-	-	225,001
At 31 December 2019	103	224,998	-	514,038	739,139

The notes on pages 9 to 27 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Fair value reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018 (as previously stated)	100	1,547,801	406,996	1,954,897
Prior year adjustment	-	(1,547,801)	135,323	(1,412,478)
At 1 January 2018 (as restated)	100	-	542,319	542,419
Comprehensive income for the year				
Profit for the year	-	-	79,016	79,016
Total comprehensive income for the year	-	-	79,016	79,016
Total transactions with owners				
Dividends: Equity capital	-	-	(147,714)	(147,714)
At 31 December 2018	100	-	473,621	473,721

The notes on pages 9 to 27 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. General information

Delta Capita Group Limited is a private company, limited by shares, incorporated in England and Wales within the United Kingdom. The address of the registered office and the registration number are given in the company information page of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany 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 Statement of financial position, 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.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The impact of the COVID-19 pandemic and the ensuing economic uncertainty has been assessed by the Directors who have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. At present the Director assess that there is minimal impact to the business arising from the COVID-19 pandemic. At the year end the group had net current liabilities of £2,930,219 which has principally arisen due to operational losses incurred during the year. The group's cash flow generation in addition to its trading activities is based on the subscribed equity investment from its new owners subsequent to the year end (see post balance sheet events note).

Based on the assessment and having regard to the resources available to the group, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.7 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

2.10 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Goodwill

The goodwill represents the difference between amounts paid on the cost of a business combination

and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquire at the

date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised over a straight line basis to the Statement of comprehensive income over its useful economic life of three years.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)**2.13 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25%	on cost
Motor vehicles	-	25%	on cost
Fixtures and fittings	-	25%	on cost
Computer equipment	-	33%	on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or 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 in the Consolidated statement of comprehensive income.

2.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 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 financial statements, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investments are initially recognised at the transaction price (including transactions costs) and subsequently adjusted to reflect the investors share of profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.17 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.21 Financial Instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found,

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)**2.21 Financial instruments (continued)**

an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.22 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2019 No.	<i>Group 2018 No.</i>	Company 2019 No.	<i>Company 2018 No.</i>
Employees	<u>81</u>	<u>48</u>	<u>4</u>	<u>3</u>

4. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was £40,417 (2018 - £79,016).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Intangible assets

Group

	Goodwill £
Cost	
Additions	1,025,023
At 31 December 2019	<u>1,025,023</u>
Amortisation	
Charge for the year	341,674
At 31 December 2019	<u>341,674</u>
Net book value	
At 31 December 2019	<u><u>683,349</u></u>
At 31 December 2018	<u><u>-</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6. Tangible fixed assets

Group

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 January 2019	21,867	742	348,667	89,199	460,475
Additions	-	-	190,667	34,694	225,361
Disposals	-	-	(2,244)	-	(2,244)
At 31 December 2019	21,867	742	537,090	123,893	683,592
Depreciation					
At 1 January 2019	19,311	742	148,250	47,621	215,924
Charge for the year	1,172	-	95,779	32,009	128,960
Disposals	-	-	(1,408)	-	(1,408)
At 31 December 2019	20,483	742	242,621	79,630	343,476
Net book value					
At 31 December 2019	1,384	-	294,469	44,263	340,116
At 31 December 2018	2,556	-	200,417	41,578	244,551

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6. Tangible fixed assets (continued)

Company

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 January 2019	17,179	742	2,991	20,912
At 31 December 2019	17,179	742	2,991	20,912
Depreciation				
At 1 January 2019	17,179	742	2,991	20,912
At 31 December 2019	17,179	742	2,991	20,912
Net book value				
At 31 December 2019	-	-	-	-
At 31 December 2018	-	-	-	-

7. Fixed asset investments

Group

	Investments in associates £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2019	220,984	110,386	331,370
Share of loss	(63,900)	-	(63,900)
At 31 December 2019	157,084	110,386	267,470

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Company

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost			
At 1 January 2019	17,019	110,386	127,405
At 31 December 2019	<u>17,019</u>	<u>110,386</u>	<u>127,405</u>

8. Cash and cash equivalents

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash at bank and in hand	1,668,361	639,383	528,084	15,830
	<u>1,668,361</u>	<u>639,383</u>	<u>528,084</u>	<u>15,830</u>

9. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Bank loans	167,597	-	-	-
Other loans	500,000	-	500,000	-
Trade creditors	2,996,659	1,179,609	-	-
Amounts owed to associates	251,495	-	-	-
Corporation tax	1,104	33,884	1,104	33,884
Other taxation and social security	628,875	204,593	-	-
Proceeds of factored debts	1,638,325	180,340	-	-
Other creditors	342,354	59,880	22,452	22,451
Accruals and deferred income	2,152,864	2,406,159	181,800	1,800
	<u>8,679,273</u>	<u>4,064,465</u>	<u>705,356</u>	<u>58,135</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Creditors: Amounts falling due after more than one year

	Group 2019 £	<i>Group 2018 £</i>
Bank loans	200,527	-
	<u>200,527</u>	<u>-</u>

The following liabilities were secured:

	Group 2019 £	<i>Group 2018 £</i>
Bank loans	368,124	-
Factoring facility	1,638,325	180,340
	<u>2,006,449</u>	<u>180,340</u>

Details of security provided:

Due to the group's factoring and bank loan arrangements, there is a fixed and floating charge over the assets of Delta Capita Limited.

11. Loans

Analysis of the maturity of loans is given below:

	Group 2019 £	<i>Group 2018 £</i>	Company 2019 £	<i>Company 2018 £</i>
Amounts falling due within one year				
Bank loans	167,597	-	-	-
Other loans	500,000	-	500,000	-
Amounts falling due 1-2 years				
Bank loans	200,527	-	-	-
	<u>868,124</u>	<u>-</u>	<u>500,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

12. Deferred taxation

Group

	2019 £	2018 £
At beginning of year	(18,135)	(106,139)
Charged to profit or loss	6,136	88,004
At end of year	(11,999)	(18,135)
	Group	Group
	2019	2018
	£	£
Accelerated capital allowances	(11,999)	(18,135)
	(11,999)	(18,135)

13. Share capital

	2019 £	2018 £
Authorised, allotted, called up and fully paid		
1,032,500 (2018 - 1,000,000) Ordinary shares of £0.0001 each	103	100

On 21 May 2019 the company issued 22,500 ordinary £0.0001 shares for consideration of £10 per share and 10,000 ordinary £0.0001 shares for consideration of £0.50 per share .

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. Business combinations

During the year, the group purchased acquired the entire share capital of TFE Markets Limited.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value £
Tangible fixed assets	2,511	2,511
	<u>2,511</u>	<u>2,511</u>
Debtors	212,028	212,028
Cash at bank and in hand	350,608	350,608
	<u>565,147</u>	<u>565,147</u>
Total assets	565,147	565,147
Creditors - due within one year	(181,068)	(181,068)
	<u>384,079</u>	<u>384,079</u>
Total identifiable net assets	384,079	384,079
Goodwill		1,025,023
		<u>1,409,102</u>
Total purchase consideration		1,409,102
Consideration		
		£
Cash		1,409,102
		<u>1,409,102</u>
Total purchase consideration		1,409,102
Cash outflow on acquisition		
		£
Purchase consideration settled in cash, as above		1,409,102
Less: Cash and cash equivalents acquired		(350,608)
		<u>1,058,494</u>
Net cash outflow on acquisition		1,058,494

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

15. Prior year adjustment

During the financial year ended 31 December 2019 the company enacted a change in accounting policy for the measurement of its investment in subsidiary companies from fair value through profit and loss to a policy of cost less impairment.

The accounting policy change was applied on the first time preparation of consolidated financial statements which reliably presents the net asset position of the group.

The carrying value of the investment in subsidiary companies was reduced by £1,273,554 (2018: £1,924,246) and in addition the associated deferred tax to the fair value was reduced by £239,372 (2018: £371,768). These amounts are the cumulative adjustments required in the Company's Statement of Financial Position due to the change of accounting policy.

The impact of the change of accounting policy cannot be determined for the year ended 31 December 2019 as no fair value model has been prepared for the current year.

The fair value loss of £650,692 and associated deferred deferred tax credit of £132,396 (net loss - £518,296) previously recognised in the financial statements of the company for the year ended 31 December 2018 have been eliminated from the profit and loss activity for that year.

16. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £92,668 (2018 - £45,852).

17. Related party transactions

During the year the group incurred expenses of £5,825,064 (2018: £5,557,696) from Delta Capita Managed Services Limited, an associate, for services rendered and the group recharged costs of £nil (2018: £489,142) to the associate.

During the year the group received a dividend of £39,000 (2018: £46,995) from Delta Capita Managed Services Limited.

At the year end the group owed £251,495 to (2018: was owed £427,889 by) Delta Capita Managed Services Limited.

At the year end the group had a trade creditors balance due to Delta Capita Managed Services Limited of £1,168,695 (2018: £nil).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

18. Post balance sheet events

Subsequent to the year end 75% of the company was acquired by Prytek Holdings Pte Limited, a company incorporated in Singapore.

At the year end Prytek Distribution Holdings Pte Limited had made a loan of £500,000 (2018: £nil) to the company.

On 28 February 2020 the company issued 632,055 ordinary £0.0001 shares to acquirer for total consideration of £14M.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

19. Controlling party

The ultimate controlling party during the year was B J Channer.

The ultimate controlling party at approval of these financial statements was Mr I Rybakov.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Subsidiary undertakings

All of the following subsidiary undertakings are held directly by the company:

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Delta Capita Limited	2nd Floor, 40 Bank Street, London, England, E14 5NR	Ordinary	80 %
Delta Capita B.V	Herikerbergweg 181, Vesta Building, 6th Floor, 1101 CN Amsterdam, Netherlands	Ordinary	82.5 %
Delta Capita Pte Limited	7 Straits View, Marina One East Tower, #05-01, Singapore, 018936	Ordinary	90 %
Delta Capita (HK) Limited	28th Floor, AIA Central, 1 Connaught Road, Central Hong Kong	Ordinary	90 %
Delta Capita (Pty) Limited	3 Lower Road, Morningside, Sandton 2196, South Africa	Ordinary	85 %
Delta Capita Managed Services (Pty) Limited	3 Lower Road, Morningside, Sandton 2196, South Africa	Ordinary	80 %
Delta Capita GRC Limited	2nd Floor, 40 Bank Street, London, England, E14 5NR	Ordinary	82.5 %
TFE Markets Limited	2nd Floor, 40 Bank Street, London, England, E14 5NR	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Delta Capita Limited	3,072,029	2,222,532
Delta Capita B.V	436,924	175,301
Delta Capita Pte Limited	(1,050,585)	(199,028)
Delta Capita (HK) Limited	(11,708)	(106,814)
Delta Capita (Pty) Limited	14,796	18,766
Delta Capita Managed Services (Pty) Limited	(99,284)	(10,479)
Delta Capita GRC Limited	1,000	-
TFE Markets Limited	221,937	162,143

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Subsidiary undertakings (continued)**Associates**

The following were associates of the Company:

Name	Registered office	Class of shares	Holding
Delta Capita Managed Services Limited	2nd Floor, 40 Bank Street, London, England, E14 5NR	Ordinary	39 %
Delta Capita Managed Services GmbH	Kurt-Blaum-Platz 8, 63450 Hanau, Germany	Ordinary	39 %

21. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 23 November 2020 by John Coverdale BSc FCA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.