

Company Registration No. 07873637 (England and Wales)

EC1 CAPITAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

EC1 CAPITAL LIMITED

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EC1 CAPITAL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	4		9,323,310		5,416,874
Current assets					
Debtors	5	-		1,370	
Cash at bank and in hand		5,165		1,995	
		5,165		3,365	
Creditors: amounts falling due within one year	6	(11,092,297)		(10,979,011)	
Net current liabilities			(11,087,132)		(10,975,646)
Total assets less current liabilities			(1,763,822)		(5,558,772)
Capital and reserves					
Called up share capital			100,000		100,000
Fair value reserve			6,314,114		86,202
Profit and loss reserves			(8,177,936)		(5,744,974)
Total equity			(1,763,822)		(5,558,772)

The directors of the company have elected not to include a copy of the profit and loss account 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 28 March 2022 and are signed on its behalf by:

Abdulrahman O Alsabban
Director

Company Registration No. 07873637

EC1 CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 January 2020	100,000	863,852	(5,113,566)	(4,149,714)
Year ended 31 December 2020:				
Loss for the year	-	-	(1,409,058)	(1,409,058)
Other comprehensive income:				
Adjustments to fair value of financial assets	-	(777,650)	777,650	-
Total comprehensive income for the year	-	(777,650)	(631,408)	(1,409,058)
Balance at 31 December 2020	100,000	86,202	(5,744,974)	(5,558,772)
Year ended 31 December 2021:				
Profit for the year	-	-	3,794,950	3,794,950
Other comprehensive income:				
Adjustments to fair value of financial assets	-	6,227,912	(6,227,912)	-
Total comprehensive income for the year	-	6,227,912	(2,432,962)	3,794,950
Balance at 31 December 2021	100,000	6,314,114	(8,177,936)	(1,763,822)

The fair value reserve reflects un-realised gains on investments and therefore is non-distributable

EC1 CAPITAL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	11		(7,302)		(150,937)
Investing activities					
Interest received		-		5	
Net cash (used in)/generated from investing activities			-		5
Financing activities					
New loans in year		10,472		125,021	
Net cash generated from financing activities			10,472		125,021
Net increase/(decrease) in cash and cash equivalents			3,170		(25,911)
Cash and cash equivalents at beginning of year			1,995		27,906
Cash and cash equivalents at end of year			5,165		1,995

EC1 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

EC1 Capital Limited is a private company limited by shares incorporated in England and Wales. The registered office is Belmont House, Station Way, Crawley, West Sussex, RH10 1JA.

1.1 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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain assets as detailed in the accounting policies below.

1.2 Going concern

The company meets its day to day working capital requirements through the support of the parent company. The directors consider that the company will continue to operate with full financial support from the parent company. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The parent company loan is interest free, has no repayment period or formal terms and is therefore considered payable on demand. Under FRS 102, this should therefore be reflected as a current liability. The parent company has expressed its intention not to draw the loan within 12 months of the year end, in order to continue to provide financial support to the company. The financial statements do not include any adjustments that would result from a withdrawal of the financial support by the parent company.

1.3 Turnover

Turnover represents the following items:

- income from disposals of fixed asset investments which are recognised on disposal
- interest from investments which is recognised when it is received due to uncertain nature
- dividends from investments which is recognised when they are received.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

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.

1.5 Fixed asset investments

Fixed asset investments are stated at fair value. Movements in fair value are included in the profit and loss account and in note 5.

The fixed asset investments are unlisted and the fair values have been determined with reference to the latest investment rounds. Management have also considered the future potential of the company in terms of sales, revenue and return on investment (ROI) as well as market size, team quality, disruptive capacity, product, scaling ability and potential exit scenarios.

EC1 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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 in the company's balance sheet 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

Debtors - short term debtors are measured at transaction price, less any impairment.

Bank - bank account balance are stated as per the statements, translated from foreign currencies at the exchange rate at the year end where applicable.

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

Creditors - short term creditors are measured at transaction price. Short term loans are measured at cost and this is not discounted.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the operating result.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

EC1 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	-	1

4 Fixed asset investments

	2021 £	2020 £
Investments	9,323,310	5,416,874
	2021 £	2020 £
Glean In (Level 29 Ltd)	287,682	287,682
Smart Trade (Smart Trade App Ltd)	428,220	428,220
Retronaut (Timescape Limited)	15,000	15,000
Global Medical Treatment Limited (formerly Emergency Dentech Limited)	-	17,444
Hands HQ Ltd	757,158	757,158
User Replay (i-KMP) (User Replay Limited)	-	171,948
Give Truly/Truly Experiences Ltd	116,044	116,044
Cily Socializer (Cily Socialising Ltd)	-	150,013
Evvnt Limited	345,924	346,078
Tailster (Dogstay Limited)	699,066	699,066
Loyalty Lion Ltd	5,170,793	763,098
WeSwap.com Ltd	-	161,700
Dataplug Limited	1,503,423	1,503,423
	9,323,310	5,416,874

EC1 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Fixed asset investments

(Continued)

For information only, the historic cost of the investments are as follows:

	2021	2020
	£	£
Glean In (Level 29 Ltd)	210,410	210,410
Smart Trade (Smart Trade App Ltd)	196,510	196,510
Retronaut (Timescape Limited)	115,000	115,000
Global Medical Treatment Limited (formerly Emergency Dentech Limited)	17,444	17,444
Hands HQ Ltd	207,426	207,426
User Replay (i-KMP) (User Replay Limited)	-	1,160,000
Give Truly/Truly Experiences Ltd	523,297	523,297
City Socializer (City Socialising Ltd)	150,013	150,013
Evvt Limited	119,986	119,986
Tailster (Dogstay Limited)	290,518	290,518
Loyalty Lion Ltd	345,000	345,000
WeSwap.com Ltd	-	1,161,476
Dataplug Limited	833,593	833,593
	<u>3,009,197</u>	<u>5,330,673</u>

As at 31 December 2021 there is an investment commitment of £nil (2020 - £nil).

The company does not hold more than 20% of the share capital in any companies.

The fixed asset investments have been restated to fair value as at 31 December 2021 and 31 December 2020 in accordance with FRS 102. The fair value is determined by reference to the latest investment rounds as explained in note 1.

Movements in fixed asset investments

	Investments £
Fair value b/fwd	5,416,874
Write offs	(2,321,476)
	<u>3,095,398</u>
Fair value adjustment at 31 December 2019	6,227,912
	<u>9,323,310</u>
At 31 December 2021	
Carrying amount	
At 31 December 2021	<u>9,323,310</u>
At 31 December 2020	<u>5,416,874</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	-	1,370

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Amounts owed to group undertakings	11,085,157	10,970,971
Other creditors	7,140	8,040
	11,092,297	10,979,011

7 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.

The senior statutory auditor was Claire Norwood BSc FCA ATII and the auditor was Jones Avens Limited.

8 Related party transactions

Included within creditors is a loan owed to Sabban Capital LLC, the parent company, totalling £11,085,157 (2020 - £10,970,971). There is no repayment term at the year end date. There is also no arrangement for any interest to be accrued on this loan. The loan is made in AED and the year end balance is AED 55,104,681. The foreign exchange difference is included in the profit and loss figure.

9 Parent company

The ultimate parent company is Sabban Capital LLC, a company registered in the United Arab Emirates.

10 Analysis of changes in net debt

	1 January 2021	Cash flows	Exchange rate movements	31 December 2021
	£	£	£	£
Cash at bank and in hand	1,995	3,170	-	5,165
Loans	(10,970,971)	(10,472)	(103,714)	(11,085,157)

EC1 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Cash absorbed by operations

	2021 £	2020 £
Profit/(loss) for the year after tax	3,794,950	(1,409,058)
Adjustments for:		
Investment income	-	(5)
(Gain)/loss on disposal of tangible fixed assets	-	1,196
Fair value adjustment to fixed assets	(6,227,912)	777,650
Amounts written off investments	2,321,476	-
Cost of investments sold	-	809,996
Foreign exchange gains/(losses) on cash equivalents	103,714	(329,541)
Movements in working capital:		
Decrease/(increase) in debtors	1,370	(573)
Decrease in creditors	(900)	(602)
Cash absorbed by operations	<u>(7,302)</u>	<u>(150,937)</u>

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.