

KM Capital Investment Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020

KM Capital Investment Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Unaudited Financial Statements	<u>3 to 7</u>

KM Capital Investment Limited

Company Information

Directors	Mr Adam Mahmud Kamani Mr Stephen Morana Mr Mahesh Patel
Registered office	49/51 Dale Street Manchester M1 2HF
Accountants	The Moffatts Partnership LLP Progress House 396 Wilmslow Road Withington Manchester M20 3BN

KM Capital Investment Limited
(Registration number: 09314829)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Other financial assets	<u>4</u>	2,538,403	1,535,203
Current assets			
Debtors	<u>5</u>	180,100	160,100
Cash at bank and in hand		25,445	43,988
		<u>205,545</u>	<u>204,088</u>
Creditors: Amounts falling due within one year	<u>6</u>	<u>(3,130,316)</u>	<u>(1,966,401)</u>
Net current liabilities		<u>(2,924,771)</u>	<u>(1,762,313)</u>
Net liabilities		<u>(386,368)</u>	<u>(227,110)</u>
Capital and reserves			
Called up share capital	<u>7</u>	100	100
Profit and loss account		<u>(386,468)</u>	<u>(227,210)</u>
Shareholders' deficit		<u>(386,368)</u>	<u>(227,110)</u>

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23 September 2020 and signed on its behalf by:

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Mr Mahesh Patel
Director

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

49/51 Dale Street
Manchester
M1 2HF
England

These financial statements were authorised for issue by the Board on 23 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

The directors have a reasonable expectation that the company has adequate resources and support to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Tax

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 operates and generates taxable income.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Financial instruments

Classification

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Recognition and measurement

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

All other financial instruments are initially recognised at fair value, which is normally the transaction price. Other financial instruments are subsequently measured at fair value with any changes in the fair value recorded in the profit and loss account.

Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 1 (2019 - 1).

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

4 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Financial assets at cost less impairment £	Total £
Non-current financial assets			
Cost or valuation			
At 1 April 2019	142,090	1,393,113	1,535,203
Fair value adjustments	46,626	-	46,626
Additions	-	956,574	956,574
At 31 March 2020	188,716	2,349,687	2,538,403
Impairment			
Carrying amount			
At 31 March 2020	188,716	2,349,687	2,538,403

5 Debtors

	2020 £	2019 £
Other debtors	180,100	160,100
	180,100	160,100

Other debtors includes convertible loan notes in the amount of £180,000 (2019: £160,000), in unquoted companies. The company has obtained security on £60,000 (2019: £60,000) of the convertible loan notes in the form of a registered charge over the issuing companies assets.

6 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	8	3,017,980	1,963,003
Accruals and deferred income		4,001	3,117
Other creditors		108,335	281
		3,130,316	1,966,401

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

7 Share capital

Allotted, called up and not fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary Shares of £1 each	100	100	100	100

8 Loans and borrowings

	2020	2019
	£	£
Current loans and borrowings		
Bank overdrafts	-	23
Other borrowings	3,017,980	1,962,980
	<u>3,017,980</u>	<u>1,963,003</u>

9 Financial instruments

Categorisation of financial instruments

	2020	2019
	£	£
Financial assets measured at fair value through profit or loss	188,716	142,089
Financial assets that are debt instruments measured at amortised cost	180,000	160,000
Financial assets that are equity instruments measured at cost less impairment	2,349,687	1,393,113

Financial assets measured at fair value

Listed Shares

The basis for determining fair value for the listed shares held by the company is the quoted market price at the period end as published in the active markets.

The fair value is £188,716 (2019 - £142,089) and the change in value included in profit or loss is £46,628 (2019 - £(8,801)).

10 Non adjusting events after the financial period

The Coronavirus pandemic developed in early 2020. At the date of approval of the accounts it has not been possible to quantify or ascertain the financial impact of the pandemic on the company. No adjustments have been made to any figures in the accounts as a result of the pandemic.

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This document was delivered using electronic communications and authenticated in accordance with the
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the Companies Act 2006.