

COMPANY REGISTRATION NUMBER: 10249904

**Vidarr Capital Limited**  
**Financial Statements**  
**30 June 2019**

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30/06/2020

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COMPANIES HOUSE

# **Vidarr Capital Limited**

## **Financial Statements**

**Year ended 30 June 2019**

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# **Vidarr Capital Limited**

## **Officers and Professional Advisers**

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### **The board of directors**

J Schneider  
R Schneider  
M P Higgins  
M G Davison

### **Registered office**

10 Orange Street  
Haymarket  
London  
UK  
WC2H 7DQ

### **Auditor**

Shipleys LLP  
Chartered Accountants & statutory auditor  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

# Vidarr Capital Limited

## Strategic Report

Year ended 30 June 2019

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The directors present their strategic report for the year ended 30 June 2019.

The principal activity of the Company continues to be that of arbitrage trading.

The subsidiary company, Vidarr Financial Limited, ceased to be authorised and regulated by the Financial Conduct Authority (FCA) in June 2019.

The Company's strategic objectives of continued profitability, continual trading improvements, and efficiencies in trading methodologies, in collaboration with its parent and partner companies, will continue to be the priorities for the year to come.

### Business review

The directors are pleased with the performance and position of the Company for the year. The environment going forward appears positive, and volatility is a crucial driver for revenue growth. The Company will continue to work hard to drive revenue from trading activities, in conjunction with its affiliates and parent companies.

### Key performance indicators

The directors consider that our key performance indicators are those that communicate the financial performance and strength of the Company as a whole.

	2019	2018
	£	£
Turnover	507,201	–

### Going concern

The directors have undertaken a rigorous assessment of whether the Company was a going concern when the accounts were prepared, considering all available information about the future, covering a period of 12 months from the date of the approval of the accounts.

### Principal risks and uncertainties

#### Exchange rate risk

As the Company trades across the World, the Company is exposed to risks associated with international trade, including foreign currency translation risks. The Company seeks to manage this risk by having a bank account open in all currencies that the Company operates in.

#### Settlement risk

The Company is exposed to the risk that the brokers it uses will not settle in time to settle subsequent trades. To mitigate this risk the Company only uses reputable brokers who are regulated in their respective jurisdictions and which are well capitalised.

#### Technology

The Company is exposed to technology and latency risk, but this is mitigated with the use of the latest technology and a strong in-house team. All new technology is thoroughly tested both by the Company and the brokers it uses to mitigate the risk of an IT or code failure.

#### Future developments

The Company intends to continue acting as arbitrage trader and to continue to look for opportunities to further enhance trading methodologies and increase revenue.

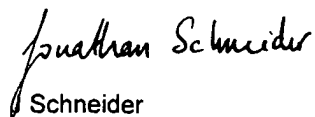
# Vidarr Capital Limited

## Strategic Report *(continued)*

Year ended 30 June 2019

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This report was approved by the board of directors on 29/06/2020 and signed on behalf of the board by:



Schneider  
Director

Registered office:  
10 Orange Street  
Haymarket  
London  
UK  
WC2H 7DQ

# **Vidarr Capital Limited**

## **Directors' Report**

**Year ended 30 June 2019**

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The directors present their report and the financial statements of the company for the year ended 30 June 2019.

### **Directors**

The directors who served the company during the year were as follows:

J Schneider  
R Schneider  
M P Higgins  
M G Davison

### **Dividends**

The directors do not recommend the payment of a dividend.

### **Events after the end of the reporting period**

Particulars of events after the reporting date are detailed in note 18 to the financial statements.

### **Disclosure of information in the strategic report**

The principal activity, a review of the business, key performance indicators, principal risks and uncertainties including financial risk management objectives and future developments of the Company have not been included in this report as they are disclosed in the Strategic Report.

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, 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 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 judgments 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.

# Vidarr Capital Limited

## Directors' Report *(continued)*

Year ended 30 June 2019

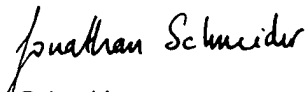
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### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 29/06/2020 ..... and signed on behalf of the board by:

  
✓ Schneider  
Director

Registered office:  
10 Orange Street  
Haymarket  
London  
UK  
WC2H 7DQ

# **Vidarr Capital Limited**

## **Independent Auditor's Report to the Members of Vidarr Capital Limited** *(continued)*

**Year ended 30 June 2019**

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### **Opinion**

We have audited the financial statements of Vidarr Capital Limited (the 'company') for the year ended 30 June 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **The impact of macro-economic uncertainties on our audit**

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as COVID-19. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

COVID-19 is amongst the most significant economic event currently faced by the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
  - the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going
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# **Vidarr Capital Limited**

## **Independent Auditor's Report to the Members of Vidarr Capital Limited *(continued)***

**Year ended 30 June 2019**

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concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the director's conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as COVID-19, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
  - the financial statements are not in agreement with the accounting records and returns; or
  - certain disclosures of directors' remuneration specified by law are not made; or
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# **Vidarr Capital Limited**

## **Independent Auditor's Report to the Members of Vidarr Capital Limited** *(continued)*

**Year ended 30 June 2019**

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- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
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# **Vidarr Capital Limited**

## **Independent Auditor's Report to the Members of Vidarr Capital Limited** *(continued)*

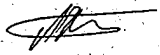
**Year ended 30 June 2019**

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Wood (Senior Statutory Auditor)

For and on behalf of  
Shipleys LLP  
Chartered Accountants & statutory auditor  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

29/6/2020

# Vidarr Capital Limited

## Statement of Comprehensive Income

Year ended 30 June 2019

		2019	2018 (restated)
	Note	£	£
Turnover	4	507,201	–
Gross profit		<u>507,201</u>	<u>–</u>
Administrative expenses		(1,270,938)	(1,196,932)
Operating loss	5	<u>(763,737)</u>	<u>(1,196,932)</u>
Interest payable and similar expenses	8	<u>(284,397)</u>	<u>(209,909)</u>
Loss before taxation		<u>(1,048,134)</u>	<u>(1,406,841)</u>
Tax on loss	9	<u>295,405</u>	<u>–</u>
Loss for the financial year and total comprehensive income		<u><u>(752,729)</u></u>	<u><u>(1,406,841)</u></u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 22 form part of these financial statements.


# Vidarr Capital Limited

## Statement of Financial Position

30 June 2019

	Note	2019 £	2018 (restated) £
<b>Fixed assets</b>			
Tangible assets	10	5,692	24,545
Investments	11	184,281	184,281
		<u>189,973</u>	<u>208,826</u>
<b>Current assets</b>			
Debtors	12	1,433,643	1,595,449
Cash at bank and in hand		3,140	564,082
		<u>1,436,783</u>	<u>2,159,531</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>359,292</u>	<u>348,164</u>
<b>Net current assets</b>		<u>1,077,491</u>	<u>1,811,367</u>
<b>Total assets less current liabilities</b>		<u>1,267,464</u>	<u>2,020,193</u>
<b>Net assets</b>		<u>1,267,464</u>	<u>2,020,193</u>
<b>Capital and reserves</b>			
Called up share capital	16	1,000	1,000
Share premium account	17	4,604,397	4,604,397
Profit and loss account	17	(3,337,933)	(2,585,204)
<b>Shareholders funds</b>		<u>1,267,464</u>	<u>2,020,193</u>

These financial statements were approved by the board of directors and authorised for issue on 29/06/2020, and are signed on behalf of the board by:

  
Jonathan Schneider  
Director

Company registration number: 10249904

The notes on pages 13 to 22 form part of these financial statements.

# Vidarr Capital Limited

## Statement of Changes in Equity

Year ended 30 June 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
<b>At 1 July 2017</b>	100	499,940	(1,178,363)	(678,323)
Loss for the year			(1,406,841)	(1,406,841)
<b>Total comprehensive income for the year</b>	—	—	(1,406,841)	(1,406,841)
Issue of shares	900	4,104,457	—	4,105,357
<b>Total investments by and distributions to owners</b>	900	4,104,457	—	4,104,457
<b>At 30 June 2018</b>	1,000	4,604,397	(2,585,204)	2,020,193
Loss for the year			(752,729)	(752,729)
<b>Total comprehensive income for the year</b>	—	—	(752,729)	(752,729)
<b>At 30 June 2019</b>	<u>1,000</u>	<u>4,604,397</u>	<u>(3,337,933)</u>	<u>1,267,464</u>

The notes on pages 13 to 22 form part of these financial statements.

# Vidarr Capital Limited

## Notes to the Financial Statements

Year ended 30 June 2019

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### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 10 Orange Street, Haymarket, London, WC2H 7DQ, UK. The principal place of business is 71-91 Aldwych, London, WC2B 4HN.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

During 2020 an outbreak of COVID-19 developed globally, which caused the UK government to take various measures to contain the virus. The containment measures taken, caused global economic activity to fall sharply. The company took a number of measures to prevent the virus from impacting the company's employees, the future of the business, and the well being of the shareholders. The measures taken included social distancing and working from home policies, to seeking additional equity financing. As a technology business, the impact of the virus on the business and results has been limited. We will continue to follow the government policies, trying not to risk the future of the business or the health of the employees.

As the company is technology based and the growing uncertainty and irregularity of the financial markets that the company trades in, and the increased demand from our partner clients, the directors have assessed the future of the business in the current scenario and have agreed that the Business remains a growing concern.

#### Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Gardenia Capital Limited which can be obtained from 10 Orange Street, Haymarket, London, WC2H 7DQ. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.

# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2019

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### 3. Accounting policies *(continued)*

#### Revenue recognition

Revenue relates to profits on arbitrage trading made within the Company and its subsidiary company as a whole. All profits from trading are recognised in this Company in accordance with an agreement between the two entities.

#### Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.



# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2019

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### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 33% straight line
Equipment	- 33% straight line

#### Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

#### Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

#### Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2019

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### 3. Accounting policies *(continued)*

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2019

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### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. Turnover

Turnover arises from:

	2019	2018 <i>(restated)</i>
	£	£
Arbitrage trading	<u>507,201</u>	<u>—</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2019	2018 <i>(restated)</i>
	£	£
Depreciation of tangible assets	19,225	19,101
Foreign exchange differences	<u>(44,755)</u>	<u>140,901</u>

### 6. Auditor's remuneration

	2019	2018 <i>(restated)</i>
	£	£
Fees payable for the audit of the financial statements	<u>8,000</u>	<u>8,000</u>

# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2019

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### 7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2019 No.	2018 No.
Staff	<u>3</u>	<u>3</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2019 £	2018 (restated) £
Wages and salaries	312,000	275,833
Social security costs	39,547	34,659
Other pension costs	<u>3,167</u>	<u>3,105</u>
	<u>354,714</u>	<u>313,597</u>

### 8. Interest payable and similar expenses

	2019 £	2018 (restated) £
Other interest payable and similar charges	<u>284,397</u>	<u>209,909</u>

### 9. Tax on loss

#### Major components of tax income

	2019 £	2018 (restated) £
<b>Current tax:</b>		
UK current tax income	(295,405)	—
<b>Tax on loss</b>	<u>(295,405)</u>	<u>—</u>

# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

### Year ended 30 June 2019

#### 9. Tax on loss *(continued)*

##### Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is lower than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019	2018 <i>(restated)</i>
	£	£
Loss on ordinary activities before taxation	(1,048,134)	(1,406,841)
Loss on ordinary activities by rate of tax	(199,145)	(267,300)
Adjustment to tax charge in respect of prior periods	(12,436)	–
Effect of expenses not deductible for tax purposes	200	–
Effect of capital allowances and depreciation	3,582	527
Unused tax losses	207,799	266,773
R&D tax credit 2018	(108,167)	–
R&D tax credit 2019	(187,238)	–
Tax on loss	<u>(295,405)</u>	<u>–</u>

#### 10. Tangible assets

	Plant and machinery £	Equipment £	Total £
<b>Cost</b>			
At 1 July 2018 (as restated)	20,295	37,009	57,304
Additions	–	372	372
<b>At 30 June 2019</b>	<u>20,295</u>	<u>37,381</u>	<u>57,676</u>
<b>Depreciation</b>			
At 1 July 2018	13,530	19,229	32,759
Charge for the year	6,765	12,460	19,225
<b>At 30 June 2019</b>	<u>20,295</u>	<u>31,689</u>	<u>51,984</u>
<b>Carrying amount</b>			
<b>At 30 June 2019</b>	<u>–</u>	<u>5,692</u>	<u>5,692</u>
At 30 June 2018	<u>6,765</u>	<u>17,780</u>	<u>24,545</u>

# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2019

### 11. Investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 July 2018 as restated and 30 June 2019	184,281
<b>Impairment</b>	
At 1 July 2018 as restated and 30 June 2019	—
<b>Carrying amount</b>	
At 30 June 2019	184,281
At 30 June 2018	184,281

### 12. Debtors

	2019 £	2018 (restated) £
Amounts owed by group undertakings	498,588	183,828
Prepayments and accrued income	17,700	17,700
Corporation tax repayable	187,238	—
Other debtors	730,117	1,393,921
	<u>1,433,643</u>	<u>1,595,449</u>

### 13. Creditors: amounts falling due within one year

	2019 £	2018 (restated) £
Trade creditors	24,339	24,614
Amounts owed to group undertakings	71,492	71,432
Accruals and deferred income	8,000	8,000
Social security taxes	19,051	20,777
Other creditors	236,410	223,341
	<u>359,292</u>	<u>348,164</u>

# Vidarr Capital Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2019

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### 14. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £3,167 (2018: £3,105).

### 15. Prior period errors

During the year, it was identified that a number of intercompany transactions had been accounted for in the prior year. VAT was not correctly accounted for and as such, the VAT debtor was understated and expenses overstated. The adjustment has resulted in a restatement of debtors and retained losses for the year ended 30 June 2018 by £65,454.

### 16. Called up share capital

#### Issued, called up and fully paid

	2019		2018 (restated)	
	No.	£	No.	£
Ordinary shares of £1 each	920	920.00	920	920.00
Ordinary Class C shares of £1 each	55	55.00	55	55.00
Ordinary Class D shares of £1 each	25	25.00	25	25.00
	<u>1,000</u>	<u>1,000.00</u>	<u>1,000</u>	<u>1,000.00</u>

### 17. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 18. Events after the end of the reporting period

After the reporting date the Company extended the loan repayment date of the loan from Moira Gartner to 31 December 2020, which is the other creditors balance in note 13.

# **Vidarr Capital Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 June 2019**

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### **19. Related party transactions**

During the year, payments were made on behalf of a subsidiary Vidarr Financial Limited of £2,049,612 (2018: £573,360) relating to money placed on margin trading accounts. At the year end, £461,141 (2018: £158,183) remained outstanding from Vidarr Financial Limited.

Various transactions were made with the parent entity, Gardenia Capital Limited, in respect of financing. Part of this balance has been reclassified as equity throughout the year. At the year end, £71,492 (2018: £70,443) remained outstanding to Gardenia Capital Limited.

During the year, payments were made on behalf of Vali Research Limited, a related entity, totalling £nil (2018: £19,584). At the year end, £37,448 (2018: £37,448) remained outstanding from Vali Research Limited.

No other transactions with related parties were undertaken such as are required to be disclosed under FRS102 Section 1A.

### **20. Controlling party**

In the opinion of the directors the parent undertaking and controlling party is Gardenia Capital Limited, a company incorporated in England and Wales, which is under the control of directors J Schneider and R Schneider.