

Klarus Capital Limited

Registered number: 10785309

Annual report

For the year ended 31 December 2020

KLARUS CAPITAL LIMITED

COMPANY INFORMATION

Director	A Onacko
Registered number	10785309
Registered office	Tower Bridge House St Katharine's Way London E1W 1DD
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditor 90 Victoria Street Bristol BS1 6DP

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**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents his report and the audited financial statements for the year ended 31 December 2020.

Principal activity

The principal activity of the company is the dealing of securities.

Directors

The directors who served during the year and up to the date of this report were:

A Onacko (appointed 10 January 2020)

J G Rudgalvis (appointed 8 December 2020; resigned 20 May 2021)

S Bruzge (resigned 10 January 2020)

Director's responsibilities statement

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements 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 director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Going concern

The directors have assessed the company's ability to continue as a going concern and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In doing this, they have considered the results for the period, expectations of future trading and the availability of continued funding. On the basis of this information the directors are satisfied that the company will continue as a going concern and so the financial statements have been prepared on this basis.

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Economic impact of the COVID-19 pandemic

The COVID-19 pandemic continues to affect the UK and global economies adversely. At the time of signing this report, the government has lifted the social restrictions which have suppressed economic activity during 2020 and 2021. Therefore, the director expects to see the UK and global economies return to growth in due course, but it is not possible to predict how quickly and to what degree this may happen. The priorities of the director remain to comply with all regulatory requirements to the fullest extent possible, and to maintain the safety and well-being of the company's personnel.

The withdrawal of the United Kingdom from the European Union

New trading arrangements between the United Kingdom and the European Union took effect on 31 December 2020. In general, tariffs and quotas on trade have not been introduced, although administrative complications and regulatory restrictions have reduced the freedom of cross-border trade. The company is carefully monitoring the practical application of the new trading arrangements by regulatory authorities, to better understand what the eventual impact on its business will be. The process of determining these effects is ongoing, and has also been delayed by the suspension of certain sectors of economic activity in response to the COVID-19 pandemic.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Provision of information to auditors

The director at the time when this Director's Report is approved has confirmed that:

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

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the director and signed on its behalf by:

A Onacko

Director

Date: 27 October 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KLARUS CAPITAL LIMITED

Opinion

We have audited the financial statements of Klarus Capital Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, 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 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

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 director is responsible for the other information contained within the annual report. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KLARUS CAPITAL LIMITED

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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Director's Report and from the requirement to prepare a Strategic Report.

Responsibilities of Director

As explained more fully in the Director's Responsibilities Statement set out on page 1, the director is 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 director is 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 either the director intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KLARUS CAPITAL LIMITED

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the director's and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with the director and management their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the director and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KLARUS CAPITAL LIMITED

Use of the audit 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.

Jonathan Marchant (Senior statutory auditor)

For and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street

Bristol
BS1 6DP

28 October 2021

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Administrative expenses	(67,555)	(111,364)
Fair value movements	(114,544)	(4,778,614)
	<hr/>	<hr/>
Operating loss	(182,099)	(4,889,978)
Income from fixed assets investments	-	609,708
	<hr/>	<hr/>
Loss before tax	(182,099)	(4,280,270)
Tax on loss	-	-
	<hr/>	<hr/>
Loss for the financial year	<u>(182,099)</u>	<u>(4,280,270)</u>
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive loss for the year	<u>(182,099)</u>	<u>(4,280,270)</u>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations

The notes on pages 10 to 14 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	4	18,829,133	18,943,677
		<u>18,829,133</u>	<u>18,943,677</u>
Current assets			
Debtors: amounts falling due within one year	5	3,557	3,557
Cash at bank and in hand		2,104,641	2,190,789
		<u>2,108,198</u>	<u>2,194,346</u>
Creditors: amounts falling due within one year	6	(22,664)	(41,257)
Net current assets		<u>2,085,534</u>	<u>2,153,089</u>
Total assets less current liabilities		<u>20,914,667</u>	<u>21,096,766</u>
Net assets		<u>20,914,667</u>	<u>21,096,766</u>
Capital and reserves			
Called up share capital	7	54,000,001	54,000,001
Profit and loss account		(33,085,334)	(32,903,235)
Total equity		<u>20,914,667</u>	<u>21,096,766</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A Onacko
Director

Date: 27 October 2021

The notes on pages 10 to 14 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2019	54,000,001	(28,622,965)	25,377,036
Comprehensive income for the year			
Loss for the year	-	(4,280,270)	(4,280,270)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(4,280,270)	(4,280,270)
Total transactions with owners	-	-	-
At 1 January 2020	54,000,001	(32,903,235)	21,096,766
Comprehensive income for the year			
Loss for the year	-	(182,099)	(182,099)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(182,099)	(182,099)
Total transactions with owners	-	-	-
At 31 December 2020	<u>54,000,001</u>	<u>(33,085,334)</u>	<u>20,914,667</u>

The notes on pages 10 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Klarus Capital Limited is a private company limited by shares incorporated in England and Wales. The registered number of the company is 10785309. The address of its registered office is Tower Bridge House, St Katharine's Way, London, E1W 1DD.

The principal activity of the company is the dealing of securities.

The financial statements have been presented in Pounds Sterling as this is the currency of the primary economic environment in which the company operates and are rounded to the nearest pound.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have assessed the company's ability to continue as a going concern and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In doing this, they have considered the results for the period, expectations of future trading and the availability of continued funding. On the basis of this information the directors are satisfied that the company will continue as a going concern and so the financial statements have been prepared on this basis.

2.3 Valuation of investments

Investments in listed company shares are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.5 Financial instruments

The company 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.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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, an impairment loss is recognised in the 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 company 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.

2.6 Creditors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.7 Foreign currency translation****Functional and presentation currency**

The company's functional and presentation 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income.

3. Employees

The average monthly number of employees, including the director, during the year was 1 (2019: 1).

4. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	18,943,677
Revaluations	(114,544)
	<hr/>
At 31 December 2020	18,829,133
	<hr/>
Net book value	
At 31 December 2020	<u>18,829,133</u>
At 31 December 2019	<u>18,943,677</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Debtors

	2020	2019
	£	£
Other debtors	2,584	2,584
Prepayments and accrued income	973	973
	<u>3,557</u>	<u>3,557</u>

6. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	5,195	973
Amounts owed to group undertakings	-	26,030
Accruals	17,469	14,254
	<u>22,664</u>	<u>41,257</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

7. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
54,000,001 (2019: 54,000,001) ordinary shares of £1 each	<u>54,000,001</u>	<u>54,000,001</u>

Each ordinary share has attached to it full voting, dividend and capital distribution rights.

8. Related party transactions

During the year, the company was charged consultancy fees amounting to £26,362 (2019: £38,300) by a fellow subsidiary company. At the year end, included within amounts owed to related parties was an amount of £nil (2019: £26,030) due to the same company.

9. Post balance sheet events

There have been no significant events affecting the company since the year end.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Controlling party

The immediate parent company is Klarus Finance OÜ, a company incorporated in Estonia.

The ultimate parent company is Atilus SAS, a company incorporated in Luxembourg.

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.