

Ayanda Capital Limited

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 31 December 2021

Ayanda Capital Limited

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Ayanda Capital Limited

Company Information

| | |
|--------------------------|---|
| Directors | Mr N P Engelbrecht Mr TP Horlick |
| Registered office | 26 High Street Rickmansworth WD3 1ER |
| Accountants | DJM Accountants BLJ Limited 26 High Street Rickmansworth WD3 1ER |

Ayanda Capital Limited

(Registration number: 11014884)

Abridged Balance Sheet as at 31 December 2021

| | Note | 2021 £ | 2020 £ |
|---|----------|--------------------------|--------------------------|
| Fixed assets | | | |
| Intangible assets | <u>4</u> | 2,350,057 | 2,639,104 |
| Tangible assets | <u>5</u> | 34,408 | 35,409 |
| Investments | <u>6</u> | 5,000,000 | 5,000,000 |
| Other financial assets | <u>7</u> | 8,481,715 | 632,732 |
| | | <u>15,866,180</u> | <u>8,307,245</u> |
| Current assets | | | |
| Stocks | <u>8</u> | - | 74,055 |
| Debtors | | 18,340,028 | 14,016,349 |
| Cash at bank and in hand | | 6,982,085 | 19,064,459 |
| | | 25,322,113 | 33,154,863 |
| Creditors: Amounts falling due within one year | | <u>(21,218,307)</u> | <u>(21,607,840)</u> |
| Net current assets | | <u>4,103,806</u> | <u>11,547,023</u> |
| Total assets less current liabilities | | 19,969,986 | 19,854,268 |
| Accruals and deferred income | | <u>(353,823)</u> | <u>(867,058)</u> |
| Net assets | | <u><u>19,616,163</u></u> | <u><u>18,987,210</u></u> |
| Capital and reserves | | | |
| Called up share capital | <u>9</u> | 510,000 | 510,000 |
| Revaluation reserve | | 107,673 | 107,673 |
| Profit and loss account | | <u>18,998,490</u> | <u>18,369,537</u> |
| Shareholders' funds | | <u><u>19,616,163</u></u> | <u><u>18,987,210</u></u> |

For the financial year ending 31 December 2021 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.

Ayanda Capital Limited

(Registration number: 11014884)

Abridged Balance Sheet as at 31 December 2021

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the Board on 28 September 2022 and signed on its behalf by:

Mr TP Horlick
Director

Ayanda Capital Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

1 General information

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

The address of its registered office is:

26 High Street
Rickmansworth
WD3 1ER

These financial statements were authorised for issue by the Board on 28 September 2022.

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 abridged 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 abridged 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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

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.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|---------------------|-------------------------------------|
| Plant and Machinery | 20% on reducing balance |
| Office equipment | 25% on reducing balance |

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.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| Asset class | Amortisation method and rate |
|--------------------|-------------------------------------|
| Development costs | 5% per annum over a straight line |

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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.

Ayanda Capital Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Ayanda Capital Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2020 - 11).

4 Intangible assets

| | Total £ |
|--------------------------|--------------------|
| Cost or valuation | |
| At 1 January 2021 | 2,890,474 |
| At 31 December 2021 | 2,890,474 |
| Amortisation | |
| At 1 January 2021 | 251,370 |
| Amortisation charge | 289,047 |
| At 31 December 2021 | 540,417 |
| Carrying amount | |
| At 31 December 2021 | 2,350,057 |
| At 31 December 2020 | 2,639,104 |

The aggregate amount of research and development expenditure recognised as an expense during the period is £411,357 (2020 - £3,012,862).

Ayanda Capital Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

5 Tangible assets

| | Plant and machinery £ | Office equipment £ | Total £ |
|--------------------------|-----------------------------|--------------------------|------------|
| Cost or valuation | | | |
| At 1 January 2021 | 50,558 | 6,775 | 57,333 |
| Additions | - | 8,310 | 8,310 |
| At 31 December 2021 | 50,558 | 15,085 | 65,643 |
| Depreciation | | | |
| At 1 January 2021 | 18,201 | 3,723 | 21,924 |
| Charge for the year | 6,471 | 2,840 | 9,311 |
| At 31 December 2021 | 24,672 | 6,563 | 31,235 |
| Carrying amount | | | |
| At 31 December 2021 | 25,886 | 8,522 | 34,408 |
| At 31 December 2020 | 32,357 | 3,052 | 35,409 |

6 Investments

| | Total £ |
|--------------------------|------------|
| Cost or valuation | |
| At 1 January 2021 | 5,000,000 |
| Provision | |
| Carrying amount | |
| At 31 December 2021 | 5,000,000 |
| At 31 December 2020 | 5,000,000 |
| | 2021 £ |
| | 2020 £ |

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Ayanda Capital Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

| Undertaking | Registered office | Holding | Proportion of voting rights and shares held | |
|--------------------------|--|-----------------|---|------|
| | | | 2021 | 2020 |
| Subsidiary undertakings | | | | |
| Iron Enterprises Limited | 5 Stirling Court Yard Stirling Way Borehamwood WD6 2FX England | Ordinary shares | 100% | 100% |

Subsidiary undertakings

Iron Enterprises Limited

The principal activity of Iron Enterprises Limited is that of venture and development capital. Its financial period end is 30 November.

Ayanda Capital Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

7 Other financial assets (current and non-current)

| | Financial assets at cost less impairment £ | Total £ |
|-------------------------------------|---|------------|
| Non-current financial assets | | |
| Cost or valuation | | |
| At 1 January 2021 | 632,732 | 632,732 |
| Additions | 7,848,983 | 7,848,983 |
| At 31 December 2021 | 8,481,715 | 8,481,715 |
| Impairment | | |
| Carrying amount | | |
| At 31 December 2021 | 8,481,715 | 8,481,715 |

8 Stocks

| | 2021 £ | 2020 £ |
|-------------------|-----------|-----------|
| Other inventories | - | 74,055 |

9 Share capital

Allotted, called up and fully paid shares

| | 2021 | | 2020 | |
|----------------------------|---------|---------|---------|---------|
| | No. | £ | No. | £ |
| Ordinary Shares of £1 each | 510,000 | 510,000 | 510,000 | 510,000 |

10 Dividends

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Final dividend of £Nil (2020 - £Nil) per ordinary share | - | - |

11 Related party transactions

Summary of transactions with parent

Ayanda Capital Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2021

Milo Investments Limited

Loans to related parties

| | Parent £ | Total £ |
|--------------------|-------------|------------|
| 2021 | | |
| At start of period | (279,340) | (279,340) |
| Advanced | 1,247,005 | 1,247,005 |
| | <hr/> | <hr/> |
| At end of period | 967,665 | 967,665 |
| | <hr/> | <hr/> |

12 Parent and ultimate parent undertaking

The ultimate controlling interest is held by Horlick family who holds 100% of the share capital of the parent company.
The company's immediate parent is Milo Investments Limited, incorporated in Mauritius.

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.