

CSL CAPITAL (UK) LIMITED

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## CSL CAPITAL (UK) LIMITED

Annual Report and Financial Statements

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2020

2020

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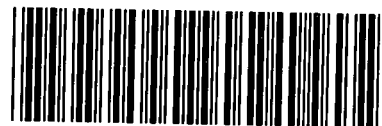
2020

### ANNUAL REPORT AND FINANCIAL STATEMENTS

2020

FOR THE YEAR ENDED 31 DECEMBER 2020

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**CSL CAPITAL (UK) LIMITED**

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**COMPANY INFORMATION**

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**Directors**

O Balogun  
P Bartlett (appointed 1 May 2020)  
B Achary (appointed 1 May 2020)

**Registered number**

11818051

**Registered office**

43 - 44 New Bond Street  
London  
United Kingdom  
W1S 2SA

**Independent auditor**

CBW Audit Limited  
66 Prescott Street  
London  
E1 8NN

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## CSL CAPITAL (UK) LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### Introduction

The directors present their strategic report on CSL Capital (UK) Limited (the "Company") for the period ended 31 December 2020.

#### Principal activities

The Company registered with the Financial Conduct Authority ('FCA') during the year and its principal activity is that of a financial intermediary services provider.

The Company was incorporated on 11 February 2019 as a limited liability company and did not generate any income in the first accounting period to 31 December 2019, the comparative period for these financial statements.

#### Business review

The Company had revenue of £4,297,471 in the year ended 31 December 2020 (period ended 31 December 2019: £nil). The net profit of the Company for the year was £983,513 (period ended 31 December 2019: loss of £147,875). On 31 December 2019, the Company had net assets of £935,638 (31 December 2019: net liabilities of £97,275).

#### Principal risks and uncertainties

The Company's activities, as outlined above, expose it to a variety of financial, operational and systems, compliance, key personnel and execution risks. Each principal risk and how this is assessed and managed is outlined below with the exception of the financial risks and uncertainties which are outlined in Note 11 of the financial statements. Financial risk management and disclosures are also disclosed in Note 11 of the financial statements. The Company's capital requirements are calculated in accordance with FCA regulations. The capital of the Company is monitored regularly in light of any potential changes within the business.

Operational and systems risk is the risk that derives from possible deficiencies relating to the Company's information technology specifically relating to risks associated with information flows to and from clients. The information technology systems the Company uses are non-complex and it has outsourced technical support, back-up and disaster recovery systems.

Compliance risk is the risk of financial loss, including fines and other penalties, which may arise from non-compliance with laws and regulations. Since the reporting date, the Company has been authorised and regulated by the FCA. Any changes in the regulatory framework and directives relating to the Company's services and operations could expose the Company to considerable risk. This risk is limited to a significant extent due to the supervision applied by the Compliance function, the use of external compliance advisors, as well as by monitoring controls applied by the Company.

Moreover, due to the geographical focus of its business, the Company's compliance/ regulatory risks include the risk of not being able to ensure best execution and the risk of money laundering. The Company mitigates this risk by ensuring only counterparties who can provide best execution to its clients will be sought. The Company's Money Laundering Reporting Officer/ Compliance Officer will on-board clients as required by regulation and regularly monitor the quality of orders executed/ activities by its counterparties. The Company has a robust anti-money laundering policy and procedure in place, including a risk-based customer due diligence. Moreover, the Company's business will be undertaken by the same personnel from another member of the Group the Company belongs to, where they will be following the same procedures and processes.

Key personnel risk is the risk that the departure of key personnel could significantly affect the business. The transmission of orders for the Company is a relatively straight forward process which other members of staff can temporarily step in to replicate if an employee left the Company. As the Company operates in the United Kingdom, it has access to a vast talent pool to hire a suitable replacement for any departing staff member.

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

Furthermore, it would be possible for the Company to second staff from other parts of the Group it belongs to, if required.

Execution risk is the risk that the Company does not achieve its objectives. The Company has the benefit of experienced personnel and directors with a deep knowledge of the business and the UK regulatory environment which mitigates this risk. In addition, the Board of Directors includes representatives of the Group who will have oversight of the overall strategy to ensure targets are being met.

**Directors' statement of compliance with duty to promote the success of the Company**

Section 172 of the Companies Act 2008 requires a Director of a company to act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to: the likely consequences of any decision in the long term; the interests of the company's employees; the need to foster the company's business relationships with suppliers, customers and others; the impact of the company's operations on the community and the environment; the desirability of the company maintaining a reputation for high standards of business conduct; and the need to act fairly with members of the Company.

The Directors of the Company acknowledge their duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequences of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships including the regulator and the financial institutions it cooperates with. This is to ensure that any engagement with the Company's stakeholders is considered effective and will contribute in a sustainable way to the Company's long-term strategy. The means of communication to the stakeholders include but are not limited to regular meetings, communication and disclosures through the official website of the Company. The Board is always alert in identifying and resolving any issues that might arise with customers, employees or any other stakeholder and receives regular updates from management to ensure that these issues will not negatively impact the Company.

**COVID-19**

Late in 2019 news first emerged from China about the COVID-19 (Coronavirus). The situation at year end, was that a limited number of cases of an unknown virus had been reported to the World Health Organization. In the first few months of 2020 the virus had spread globally and its negative impact has gained momentum. The directors have considered the current and developing impact on the business as a result of the virus in their assessment of going concern. While this is still an evolving situation at the time of issuing these financial statements, to date, this has not had a significant impact on the company's operations, but the Directors are aware that if the current situation becomes prolonged then this may change.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

This report was approved by the board and signed on its behalf.



O Balogun

Director

Date: 22 March 2021

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## CSL CAPITAL (UK) LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present their report and the financial statements for the year ended 31 December 2020.

#### General Information

CSL Capital (UK) Limited (the 'Company') is a private limited company, limited by shares, incorporated and domiciled in England and Wales. The Company's registered office is at 43 - 44 New Bond Street, London, United Kingdom, W1S 2SA. The Company is directly controlled by CSL Stockbrokers Limited, registered in Nigeria, which owns 75% of the company's shares. The Company's ultimate controlling party is FCMB Group Plc, registered in Nigeria. The Company is registered with the Financial Conduct Authority ("FCA") and operates under the license no. 913994.

#### Branches

The Company did not operate through any branches during the period ended 31 December 2020.

#### Future developments

CSL Capital (UK) Limited is strategizing to extend its business activities into other African countries in addition to the ones they currently operate in.

#### Results and dividends

The profit for the year, after taxation, amounted to £983,513 (2019 - loss £147,875).

During 2020, the Company did not declare any dividends to its shareholders (2019: £nil).

#### Capital management

Financial risk management policies and objectives for capital management are outlined in the principal risks and uncertainties section of the strategic report on pages 3 and 4 and in note 18 to the financial statements.

#### Directors

The directors who served during the year were:

O Balogun  
P Bartlett (appointed 1 May 2020)  
B Achary (appointed 1 May 2020)

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

**Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements, in accordance with applicable law.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

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 of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Post year end events**

There have been no significant events affecting the Company since the year end, other than the COVID-19 pandemic which is referred to in the Strategic report.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

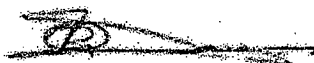
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor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

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

**Auditor**

CBW Audit Limited were reappointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a general meeting.

This report was approved by the board and signed on its behalf.



**O Balogun**

Director

Date: 24 March 2021



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSL CAPITAL (UK) LIMITED**

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**Opinion**

We have audited the financial statements of CSL Capital (UK) Limited ('the company') for the year ended 31 December 2020 which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies set out on pages 20 - 23. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

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 profit 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 United Kingdom, including the Financial Reporting Council'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**

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSL CAPITAL (UK) LIMITED (CONTINUED)**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. 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.

**Opinion 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSL CAPITAL (UK) LIMITED (CONTINUED)**

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**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
- we have not received all the information and explanations we require for our audit.
- the directors were 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 directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement on page 6, 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.

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations. The laws and regulations applicable to the company were identified through discussions with directors and other management, and from our commercial knowledge and experience of the financial intermediary services industry. Of these laws and regulations, we focused on those that we considered may have a direct material effect on the financial statements or the operations of the company, including The Financial Services Act 2012, The Financial Conduct Authority, MiFID II Rules, The Proceeds of Organised Crime Act, The Criminal Finances Act 2017, Companies Act 2006, taxation legislation, data protection, The Bribery Act 2010, anti-money-laundering, The Employments Act Right 1996, environmental and health and safety legislation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSL CAPITAL (UK) LIMITED (CONTINUED)**

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The extent of compliance with these laws and regulations identified above was assessed through making enquiries of management, obtaining the internal Compliance Manual and inspecting legal correspondence. The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 5 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the FCA and MiFID rules and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

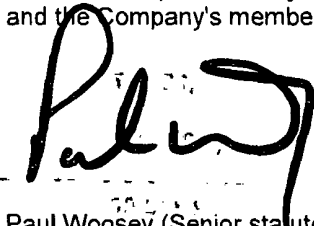
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**CSL CAPITAL (UK) LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CSL CAPITAL (UK) LIMITED (CONTINUED)**

**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.



Paul Woosey (Senior statutory auditor)

for and on behalf of  
**CBW Audit Limited**

Statutory Auditor

66 Prescott Street  
London  
E1 8NN  
Date:

25<sup>th</sup> March 2021

**CSL CAPITAL (UK) LIMITED**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020	Period ended 31 December 2019
	Note	£	£
<b>Revenue</b>	6	4,297,471	-
Cost of sales		(1,954,468)	-
<b>Gross profit</b>		<u>2,343,003</u>	-
Administrative expenses		(1,207,713)	(147,875)
<b>Profit/(loss) from operations</b>		<u>1,135,290</u>	(147,875)
Finance income	9	1,191	-
Finance expense	9	(3,718)	-
<b>Profit/(loss) before tax</b>		<u>1,132,763</u>	(147,875)
Tax expense	10	(149,250)	-
<b>Profit for the year</b>		<u><u>983,513</u></u>	<u>(147,875)</u>

There was no other comprehensive income in the year ended 31 December 2020 (period ended 31 December 2019: £Nil).

The notes on pages 18 to 35 form part of these financial statements.

**CSL CAPITAL (UK) LIMITED**  
**REGISTERED NUMBER: 11818051**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	602,975	-
Intangible assets	12	3,667	663
		<u>606,642</u>	<u>663</u>
<b>Current assets</b>			
Trade and other receivables	13	306,585	-
Cash and cash equivalents	21	1,298,526	50,608
		<u>2,211,753</u>	<u>51,271</u>
<b>Total assets</b>			
<b>Liabilities</b>			
Loans and borrowings	15	205,535	-
<b>Current liabilities</b>			
Trade and other liabilities	14	996,820	148,546
Loans and borrowings	15	73,760	-
		<u>1,070,580</u>	<u>148,546</u>
<b>Total liabilities</b>		<u>1,276,115</u>	<u>148,546</u>
<b>Net assets/(liabilities)</b>		<u><u>935,638</u></u>	<u><u>(97,275)</u></u>
<b>Issued capital and reserves</b>			
Share capital	16	100,000	50,600
Retained earnings		835,638	(147,875)
<b>Total equity</b>		<u><u>935,638</u></u>	<u><u>(97,275)</u></u>

The notes on pages 18 to 35 form part of these financial statements.

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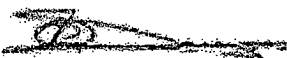
CSL CAPITAL (UK) LIMITED  
REGISTERED NUMBER: 11818051

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STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2020

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The financial statements on pages 13 to 35 were approved and authorised for issue by the board of directors and were signed on its behalf by:



O Balogun  
Director

Date: 24 March 2021



**CSL CAPITAL (UK) LIMITED**

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

	Share capital	Retained earnings	Total equity
	£	£	£
Loss for the period	-	(147,875)	(147,875)
<b>Total comprehensive income for the year</b>	-	(147,875)	(147,875)
<b>Contributions by and distributions to owners</b>			
Issue of share capital	50,600	-	50,600
<b>Total contributions by and distributions to owners</b>	50,600	-	50,600
<b>At 31 December 2019</b>	<b>50,600</b>	<b>(147,875)</b>	<b>(97,275)</b>
<b>At 1 January 2020</b>	-	(147,875)	(147,875)
Profit for the year	-	983,513	983,513
<b>Total comprehensive income for the year</b>	-	983,513	983,513
Issue of share capital	100,000	-	100,000
<b>Total contributions by and distributions to owners</b>	100,000	-	100,000
<b>At 31 December 2020</b>	<b>100,000</b>	<b>835,638</b>	<b>935,638</b>

The notes on pages 18 to 35 form part of these financial statements.

**CSL CAPITAL (UK) LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year	983,513	(147,875)
<b>Adjustments for</b>		
Depreciation of property, plant and equipment	22,940	-
Amortisation of intangible fixed assets	986	77
Finance expense	3,718	-
Income tax expense	149,250	-
	<b>1,160,407</b>	<b>(147,798)</b>
<b>Movements in working capital:</b>		
Increase in trade and other receivables	(306,585)	-
Increase in trade and other payables	699,025	17,476
<b>Cash generated from operations</b>	<b>1,552,847</b>	<b>(130,322)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(318,110)	-
Purchase of intangibles	(3,990)	-
<b>Net cash (used in)/from investing activities</b>	<b>(322,100)</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from share issue	49,400	50,600
Proceeds from borrowings	-	130,330
Payment of lease liabilities	(32,229)	-
<b>Net cash from financing activities</b>	<b>17,171</b>	<b>180,930</b>
<b>Net cash increase in cash and cash equivalents</b>	<b>1,247,918</b>	<b>50,608</b>
Cash and cash equivalents at the beginning of year	50,608	-
<b>Cash and cash equivalents at the end of the year</b>	<b>1,298,526</b>	<b>50,608</b>

The notes on pages 18 to 35 form part of these financial statements.

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

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**1. General information**

CSL Capital (UK) Limited (the 'Company') is a private limited company, limited by shares, incorporated and domiciled in England and Wales. The Company's registered office is at 43 - 44 New Bond Street, London, United Kingdom, W1S 2SA. The company commenced trading in January 2020.

The Company's principal activity is detailed in the Strategic report.

The monthly average number of employees employed by during the year ended 31 December 2020 was 5 (period ended 31 December 2019: 1). Details of employee and director remuneration are included in note 8 to the financial statements.

**Brexit**

In June 2016, the people of the United Kingdom ('UK') voted for an exit from the European Union ('EU'). Since then there has been a period of negotiation and resulting uncertainty as the detailed political and legal issues have been working out and the real impact of leaving unfolds. The political situation in the UK has also been changing in response to the outcome of the referendum and continuing negotiations with the EU. Eventually, the UK has left the European Union on 31 January 2020 and a trade deal was reached between the two parties on 24 December 2020.

The uncertainty surrounding Brexit has impacted all UK businesses and those that do business with or invest in the UK. A trade agreement has now been reached and UK businesses should be considering how this new political landscape will impact their organisations. While there will likely be significant changes for many UK businesses and at the time of signing these financial statements it is still impossible to predict the impact on the UK economy and the final situation in terms of trade regulation, trade and labour agreements and political positions in the coming years, management does not believe that this will affect its ability to operate going forward.

**2. Basis of preparation**

The Company was incorporated on 11 February 2019 and as such the comparatives to these financial statements cover the period from this date to 31 December 2019, not an entire year.

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated. They were authorised for issue by the Company's board of directors on .

Details of the Company's accounting policies, including changes during the year, are included in note 4.

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgments and estimates have been made in preparing the financial statements and their effects are disclosed in note 5.

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

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**2. Basis of preparation (continued)**

**2.1 Basis of measurement**

The financial statements have been prepared on the historical cost basis.

**2.2 Changes in accounting policies**

**i) New standards, interpretations and amendments effective from 1 January 2020**

There are no new standards, interpretations or amendments effective from 1 January 2020 that have had an impact on the Company's financial statements.

**3. Functional and presentation currency**

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.

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

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**4. Accounting policies**

**4.1 Going concern**

Having paid due regard to the Company's projected results during the twelve months from the date the financial statements are approved and anticipated cashflows, the directors consider the going concern basis to be appropriate.

In their assessment of going concern the directors have considered the current and developing impact on the business as a result of the COVID-19 virus. This has not had a significant, immediate impact on the company's operations but the directors are aware that if the current situation becomes prolonged then this may change.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**4.2 Revenue**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

**Rendering of services**

Revenue from providing services is recognised in the accounting period in which the services are rendered.

**4.3 Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**4.4 Foreign currency**

In preparing the Company's financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

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**4. Accounting policies (continued)****4.5 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**4.6 Taxation****Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**4.7 Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following range:

Office equipment	5 years useful life
Computer equipment	4 years useful life
IFRS 16 Right of use asset	5 years useful life

**4.8 Intangible assets****Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortisation is charged to administrative expenses in the Statement of Profit or Loss and Other Comprehensive Income.

Trademarks	4 years useful life
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Accounting policies (continued)

4.9. Financial instruments

Financial assets

The Company classifies all of its financial assets at amortised cost.

Management determines the classification of its financial assets at initial recognition. These assets arise from other financial assets where the objective is to hold their assets in order to collect contractual cash flows and the contractual cash flows are solely payments of the principal. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost less provision for impairment.

Amortised Cost

The Company's financial assets held at amortised cost comprise cash and cash equivalents in the consolidated statement of financial position.

Financial liabilities

The Group classifies its financial liabilities in the category of financial liabilities at amortised cost.

All financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provision of the instrument.

Financial liabilities measured at amortised cost include payables to related parties which are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such liabilities are subsequently measured at amortised cost.

Unless otherwise indicated, the carrying values of the Group's financial liabilities measured at amortised cost represents a reasonable approximation of their fair values.

5. Accounting estimates and judgments

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. These estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the financial statements, estimation is required in determining the useful lives of both tangible and intangible assets which forms the basis of the calculations of depreciation and amortisation, respectively, for the year. Further detail regarding the estimated useful lives of tangible and intangible assets can be found in the respective accounting policies and notes.

Estimation is also required in determining the value of accruals as at the reporting date in respect of costs not yet invoiced. Where available, invoices raised after the reporting date have been used to provide exact values for the costs to be accrued.

**CSL CAPITAL (UK) LIMITED**

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

**6. Revenue**

The following is an analysis of the Company's revenue for the year from continuing operations:

	2020 £	2019 £
Commissions income	51,624	-
Fees income	4,245,847	-
	<u>4,297,471</u>	<u>-</u>

Analysis of revenue by country of destination:

	2020 £	2019 £
Rest of the world	<u>4,297,471</u>	<u>-</u>

**7. Expenses by nature**

	2020 £
Amortisation	986
Depreciation	22,940
Foreign exchange loss	8,494
Auditors' remuneration	<u>10,000</u>



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CSL CAPITAL (UK) LIMITED

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

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8. Employee benefit expenses

	2020 £	2019 £
<b>Employee benefit expenses (including directors) comprise:</b>		
Wages and salaries	478,446	-
National insurance	41,801	-
Defined contribution pension cost	2,795	-
	<u>500,148</u>	<u>-</u>

**Key management personnel compensation**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the directors of the Company listed on page 1, and the Financial Controller of the Company.

	2020 £	2019 £
Salary	<u>145,716</u>	<u>-</u>

The monthly average number of persons, including the directors, employed by the Company during the year was as follows:

	2020 No.	2019 No.
All staff	<u>5</u>	<u>1</u>

# CSL CAPITAL (UK) LIMITED

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

### 9. Finance income and expense

#### Recognised in profit or loss

	2020 £	2019 £
<b>Finance income</b>		
Other interest receivable	1,191	-
<b>Finance expense</b>		
Interest on lease liabilities	3,718	-
<b>Net finance expense recognised in profit or loss</b>	<b>(2,527)</b>	<b>-</b>

### 10. Tax expense

	2020 £	2019 £
Corporation tax payable	149,250	-

### 11. Property, plant and equipment

	Office equipment £	Computer equipment £	IFRS 16 Right of use asset £	Total £
<b>Cost or valuation</b>				
Additions	300,720	17,390	307,805	625,915
<b>At 31 December 2020</b>	<b>300,720</b>	<b>17,390</b>	<b>307,805</b>	<b>625,915</b>

CSL CAPITAL (UK) LIMITED

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

11. Property, plant and equipment (continued)

	Office equipment £	Computer equipment £	IFRS 16 Right of use asset £	Total £
<b>Accumulated depreciation and impairment</b>				
Charge for the year - owned assets	2,605	2,386		4,991
Charge for the year - leased assets	-	-	17,949	17,949
<b>At 31 December 2020</b>	<b>2,605</b>	<b>2,386</b>	<b>17,949</b>	<b>22,940</b>
<b>Net book value</b>				
At 31 December 2019	-	-	-	-
At 31 December 2020	298,115	15,004	289,856	602,975

11.1. Assets held under leases

The net book value of owned and leased assets included as "Property, plant and equipment" in the Statement of financial position is as follows:

	31 December 2020 £
Property, plant and equipment owned	313,119
Right-of-use assets, excluding investment property	289,856
	<b>602,975</b>

Information about right-of-use assets is summarised below:

Net book value

	31 December 2020 £	31 December 2019 £
Property	289,856	-
	<b>289,856</b>	-

# CSL CAPITAL (UK) LIMITED

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

### 11. Property, plant and equipment (continued)

#### 11.1 Assets held under leases (continued)

#### Depreciation charge for the year ended:

	31 December 2020 £	31 December 2019 £
Property	17,949	-
	<u>17,949</u>	<u>-</u>

### 12. Intangible assets

	Trademarks £
<b>Cost</b>	
Additions - external	740
<b>At 31 December 2019</b>	<u>740</u>
Additions - external	3,990
<b>At 31 December 2020</b>	<u><u>4,730</u></u>
	Trademarks £
<b>Accumulated amortisation and impairment</b>	
Charge for the period	77
<b>At 31 December 2019</b>	<u>77</u>
Charge for the period	986
<b>At 31 December 2020</b>	<u><u>1,063</u></u>
<b>Net book value</b>	
At 31 December 2019	663
At 31 December 2020	<u><u>3,667</u></u>

# CSL CAPITAL (UK) LIMITED

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

### 13. Trade and other receivables

	2020 £	2019 £
Trade receivables	3,602	-
Receivables from related parties	72,456	-
<b>Total financial assets other than cash and cash equivalents classified as loans and receivables</b>	<b>76,058</b>	<b>-</b>
Prepayments and accrued income	40,019	-
Other receivables	190,508	-
<b>Total trade and other receivables</b>	<b>306,585</b>	<b>-</b>

The carrying value of trade and other receivables classified as loans and receivables approximates fair value.

### 14. Trade and other payables

	2020 £	2019 £
Trade payables	20,400	-
Payables to related parties	-	131,070
Other payables	758,468	-
Accruals	44,143	17,476
Other payables - tax and social security payments	173,809	-
<b>Total trade and other payables</b>	<b>996,820</b>	<b>148,546</b>
Less: current portion - trade payables	(20,400)	-
Less: current portion - payables to related parties	-	(131,070)
Less: current portion - other payables	(932,277)	-
Less: current portion - accruals	(44,143)	(17,476)
<b>Total non-current position</b>	<b>-</b>	<b>-</b>

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

**CSL CAPITAL (UK) LIMITED**

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

**15. Loans and borrowings**

	2020 £	2019 £
<b>Non-current</b>		
Lease liabilities	205,535	-
	<u>205,535</u>	<u>-</u>
<b>Current</b>		
Lease liabilities	73,760	-
	<u>73,760</u>	<u>-</u>
<b>Total loans and borrowings</b>	<u><u>279,295</u></u>	<u><u>-</u></u>

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

The currency profile of the Company's loans and borrowings is as follows:

GBP	<u><u>279,295</u></u>	<u><u>-</u></u>
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**16. Share capital**

**Authorised**

	2020 Number	2020 £
<b>Shares treated as equity</b>		
Ordinary shares of £1.00 each	100,000	100,000
	<u><u>100,000</u></u>	<u><u>100,000</u></u>

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

16. Share capital (continued)

Issued and fully paid

	2020 Number	2020 £
<b>Ordinary shares of £1.00 each</b>		
At 1 January	50,600	50,600
Shares issued	49,400	49,400
	<u>100,000</u>	<u>100,000</u>
<b>At 31 December</b>		

17. Reserves

Retained earnings

Includes all of the current year retained profit of £983,513 and the retained loss brought forward from 2019 of £147,875.

18. Leases

(i) Leases as a lessee

During the year, the company entered into a lease arrangement for property.

Lease liabilities are due as follows:

	2020 £	2019 £
<b>Contractual undiscounted cash flows due</b>		
Not later than one year	83,072	-
Between one year and five years	226,328	-
	<u>309,400</u>	<u>-</u>
Lease liabilities included in the Statement of Financial Position at 31 December	<u>279,295</u>	<u>-</u>
Non-current	205,535	-
Current	<u>73,760</u>	<u>-</u>

There is not deemed to be any significant liquidity risk in relation to lease liabilities.

# CSL CAPITAL (UK) LIMITED

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

### 18. Leases (continued)

The following amounts in respect of leases have been recognised in profit or loss:

	2020 £	2019 £
Interest expense on lease liabilities	3,718	-

### 19. Financial instruments - fair values and risk management

#### 19.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2020	Not measured at fair value	Carrying amount Amortised cost £	Total £
<b>Financial assets not measured at fair value</b>			
Trade and other receivables	13	306,585	306,585
Cash and cash equivalents	21	1,298,526	1,298,526
<b>Financial liabilities measured at fair value</b>			
Financial lease liabilities	15	279,295	279,295
Trade and other payables	14	996,820	996,820



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

**19. Financial instruments - fair values and risk management (continued)****19.1 Accounting classifications and fair values (continued)**

31 December 2019	Note	Carrying amount	
		Amortised cost	Total
		£	£
<b>Financial assets not measured at fair value</b>			
Cash and cash equivalents	21	50,608	50,608
<hr/>			
<b>Financial liabilities not measured at fair value</b>			
Loan from related party	15	131,070	131,070

**19.2 Financial risk management objectives**

The company is exposed through its operations to the following risks:

- Market risk - foreign exchange
- Credit risk
- Liquidity risk

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The company uses financial instruments including cash, trade and other receivables and trade and other payables that arise directly from operations. Due to the simple nature of these financial instruments, there is no material difference between book and fair values, discounting would not give a material difference to the results of the company and the directors believe there are no material sensitivities that require additional disclosure.

**19.3 Market risk**

Foreign exchange risk arises when the company enters into transactions denominated in a currency other than their functional currency. This is the main risk that the company is exposed to, as it is involved in financial intermediary services that involve the receipt and payment of different currencies in the same transaction.

In the 2020 financial year the Company has been involved in such transactions and seeks to ensure there is little if any time difference between translations to minimise its exposure to foreign exchange risk.

Apart from these particular transactions, the Company aims to fund expenses and investments in the respective currency and to manage foreign exchange risk at a local level by matching the currency in which revenue is generated and expenses are incurred.

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

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**19. Financial instruments - fair values and risk management (continued)**

**19.4 Credit risk management**

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

While the company has commenced trading during the 2020 year, the Directors do not consider that there is any concentration of risk within either trade or other receivables. There are no impairments to trade or other receivables in each of the periods presented.

The Company has made an unsecured interest-free loan to its Parent during the year which is repayable on demand and is expected to be repaid in the future as the Parent is revenue generative.

**19.5 Liquidity risk management**

Liquidity risk arises from the Company's management of working capital. It is the risk that it will encounter difficulty in meeting its financial obligations as they fall due.

**Capital risk management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising returns to shareholders through the optimisation of debt and equity balances. During the period ended 31 December 2020, the Company was both equity and debt funded. Equity comprises share capital and retained losses. Debt comprises the items shown in note 10.

The capital structure of the Company is managed and adjusted in light of changes to economic conditions and risks.

**20. Related party transactions and ultimate parent undertaking**

During the period, the company's immediate parent undertaking was CSL Stockbrokers Limited by virtue of its ownership of 75% of the share capital in CSL Capital (UK) Limited.

The ultimate controlling party is FCMB Group Plc, a listed company domiciled in Nigeria, whose registered office is at 44 Marina, Lagos. FCMB Group Plc produces consolidated financial statements that include the income, expenses, assets and liabilities from CSL Capital (UK) Limited.

The following transactions were carried out with related parties:

At 31 December 2020, there was a total balance owed to CSL Capital UK Limited by the company's directors of £52,355, included within Trade and other receivables. This balance attracts interest at 2.25% and is repayable in less than one year from the date of these financial statements.

At 31 December 2020, there was a balance owed to CSL Capital UK Limited by CSL Stockbrokers Limited, the Company's immediate parent undertaking of £20,101, included within Trade and other receivables. This is repayable on demand and interest free.

At 31 December 2019, there was a balance owed to CSL Stockbrokers Limited, the Company's immediate parent undertaking, of £131,070 included within Trade and other liabilities in the Statement of Financial Position. This is repayable on demand and interest free.

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**CSL CAPITAL (UK) LIMITED**

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

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**21. Notes supporting statement of cash flows**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash at bank available on demand	<b>1,298,526</b>	<b>50,608</b>
<b>Cash and cash equivalents in the statement of financial position</b>	<b>1,298,526</b>	<b>50,608</b>
<b>Cash and cash equivalents in the statement of cash flows</b>	<b><u>1,298,526</u></b>	<b><u>50,608</u></b>