
CSL CAPITAL (UK) LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



CSL CAPITAL (UK) LIMITED

COMPANY INFORMATION

Directors	O Balogun P Bartlett (resigned 30 June 2021) B Achary
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

21/03/2022

CSL CAPITAL (UK) LIMITED

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CSL CAPITAL (UK) LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their strategic report on CSL Capital (UK) Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2021.

Principal activities

The principal activity of the Company and the Group is the provision of financial intermediary services.

Business review

The Group's results are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 11.

The Group had revenue of £3,321,378 in the year ended 31 December 2021 (2020: £4,297,471). The Group's profit after tax for the 2021 year was £853,829 (2020: £937,540). On 31 December 2021, the Group had net assets of £1,740,036 (2020: £889,665).

The Company had revenue of £3,064,845 in the year ended 31 December 2021 (2020: £4,297,471). The net profit of the Company for the year was £901,609 (2020: £937,540). On 31 December 2021, the Company had net assets of £1,791,275 (2020: £889,665).

Principal risks and uncertainties

The Group'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 24 of the financial statements. Financial risk management and disclosures are also disclosed in Note 24 of the financial statements. The capital requirements of CSL Capital (UK) Limited are calculated in accordance with FCA regulations. The capital of the Group 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 Group's information technology specifically relating to risks associated with information flows to and from clients. The information technology systems the Group 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. CSL Capital (UK) Limited is authorised and regulated by the FCA. Any changes in the regulatory framework and directives relating to the Group's services and operations could expose the Group 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 Group.

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

CSL CAPITAL (UK) LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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

Execution risk is the risk that the Group does not achieve its objectives. The Group 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 Group

Section 172 of the Companies Act 2006 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.

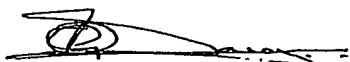
The Directors of the CSL Capital (UK) Limited acknowledge their duty to promote the success of the Group for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequences of decisions for the long term, the need to act fairly between members of 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 Group's stakeholders is considered effective and will contribute in a sustainable way to the Group'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

The directors have considered the continuing impact on the business as a result of the COVID-19 (Coronavirus) pandemic 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 Group's operations.

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: 21/03/2022

CSL CAPITAL (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

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

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

Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing the consolidated 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 UK, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and 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 Group or 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 parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent 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 Group and to prevent and detect fraud and other irregularities.

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 2021.

Results and dividends

The profit for the year, after taxation, amounted to £853,829 (2020 - £937,540).

During 2021, the Company did not declare any dividends to its shareholders (2020: £nil).

CSL CAPITAL (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Directors

The directors who served during the year were:

O Balogun
P Bartlett (resigned 30 June 2021)
B Achary

Future developments

Business expansion and growth of financial intermediary services remain the focus of the management of CSL Capital (UK) Limited. FX brokerage services are to be extended to other Africa countries on the progress recorded in Nigeria. In early 2022, Bank of Ghana granted FX brokerage license to CSL Capital (UK) Limited. The subsidiary in Ghana, CSL Capital Ghana, will be expecting business activities to commence in 2022 in tandem with its parent CSL Capital (UK) Limited.

CSL Capital (UK) also intends to commence its fixed income trading and equity brokerage for investors in the UK desirous in investing in Africa and also investors in Africa that want to invest in equity and fixed income in the U.K., Europe and U.S. in 2022.

CSL Pay Limited, another incorporated subsidiary of CSL Capital UK Limited will be commencing remittance services across African countries in year 2022 and plan to kickstart with Nigeria, Ghana and Zambia. This will be in partnership with FINCODE Ltd, CSL's tech partner.

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 25 to the financial statements.

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 and the Group'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 and the Group's auditor is aware of that information.

Post year end events

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

Auditor

The auditor, CBW Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



O Balogun
Director
Date: 21/03/2022

CSL CAPITAL (UK) LIMITED

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

Opinion

We have audited the financial statements of CSL Capital (UK) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021 which comprise the Consolidated statement of profit or loss and other comprehensive income, the Company statement of profit or loss and other comprehensive income, the Consolidated statement of financial position, the Company Statement of financial position, the Consolidated statement of cash flows, the Company Statement of cash flows, the Consolidated statement of changes in equity, the Company Statement of changes in equity and the related notes, including a summary of significant accounting policies set out on pages 24 - 30. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the United Kingdom; and
- the financial statements 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 Group and the parent 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 Group's or 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.

CSL CAPITAL (UK) LIMITED

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

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 Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

CSL CAPITAL (UK) LIMITED

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 5, 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 Group's and the parent 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 Group or the parent 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 Employment Rights Act 1996, environmental and health and safety legislation.

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

CSL CAPITAL (UK) LIMITED

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

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:

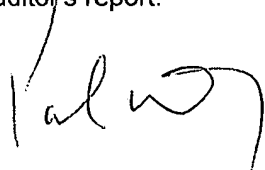
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 5 were indicative of potential bias; and
- investigated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



Paul Woosey (Senior statutory auditor)

for and on behalf of
CBW Audit Limited

Statutory Auditor

66 Prescott Street
London
E1 8NN

Date: 21/3/22

CSL CAPITAL (UK) LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Revenue	7	3,321,378	4,297,471
Cost of sales		(777,102)	(1,954,468)
Gross profit		2,544,276	2,343,003
Administrative expenses		(1,328,263)	(1,207,713)
Profit from operations		1,216,013	1,135,290
Finance income		8,839	1,191
Finance expense		(81,111)	(3,718)
Profit before tax		1,143,741	1,132,763
Tax expense	13	(289,912)	(195,223)
Profit for the year		853,829	937,540
Other comprehensive income:			
Items that will or may be reclassified to profit or loss:			
Exchange gains arising on translation on foreign operations		(3,459)	-
Other comprehensive income for the year, net of tax		(3,459)	-
Total comprehensive income		850,370	937,540

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS AT 31 DECEMBER 2021

	2021 £	Restated - 2020 £
Revenue	3,064,845	4,297,471
Cost of sales	(768,743)	(1,954,468)
Gross profit	2,296,102	2,343,003
Administrative expenses	(1,103,556)	(1,207,713)
Profit from operations	1,192,546	1,135,290
Finance income	8,740	1,191
Finance expense	(12,821)	(3,718)
Profit before tax	1,188,465	1,132,763
Tax expense	(286,856)	(195,223)
Profit for the year	901,609	937,540

CSL CAPITAL (UK) LIMITED
REGISTERED NUMBER: 11818051

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

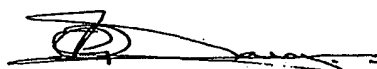
	Note	2021 £	2020 £
Assets			
Non-current assets			
Property, plant and equipment	14	532,729	602,975
Intangible assets	15	50,920	3,667
Other non-current investments	16	1	-
		<u>583,650</u>	<u>606,642</u>
Current assets			
Trade and other receivables	18	254,406	306,585
Cash and cash equivalents	28	1,585,946	1,298,526
		<u>2,424,002</u>	<u>2,211,753</u>
Total assets			
Liabilities			
Loans and borrowings	20	138,717	205,535
Deferred tax liability	13	44,072	45,973
Current liabilities			
Trade and other liabilities	19	430,850	996,820
Loans and borrowings	20	70,327	73,760
		<u>501,177</u>	<u>1,070,580</u>
Total liabilities		<u>683,966</u>	<u>1,322,088</u>
Net assets		<u>1,740,036</u>	<u>889,665</u>

CSL CAPITAL (UK) LIMITED
REGISTERED NUMBER: 11818051

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Issued capital and reserves attributable to owners of the parent			
Share capital	21	100,000	100,000
Foreign exchange reserve		(3,459)	-
Retained earnings		1,643,495	789,665
		<u>1,740,036</u>	<u>889,665</u>
TOTAL EQUITY		<u><u>1,740,036</u></u>	<u><u>889,665</u></u>

The financial statements on pages 11 to 63 were approved and authorised for issue by the board of directors and were signed on its behalf by:



O Balogun
Director

Date: 21/03/2022

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED
REGISTERED NUMBER: 11818051

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

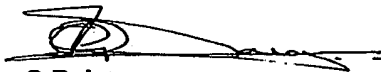
	Note	2021 £	Restated - 2020 £
Assets			
Non-current assets			
Property, plant and equipment	14	532,729	602,975
Intangible assets	15	2,485	3,667
Other non-current investments	16	1,135,449	46,269
		<u>1,670,663</u>	<u>652,911</u>
Current assets			
Trade and other receivables	18	225,175	306,585
Cash and cash equivalents	28	1,541,132	1,298,526
		<u>1,766,307</u>	<u>1,605,111</u>
Total assets		<u>3,436,970</u>	<u>2,258,022</u>
Liabilities			
Non-current liabilities			
Loans and borrowings	20	138,717	205,535
Deferred tax liability	13	44,063	45,973
		<u>182,780</u>	<u>251,508</u>
Current liabilities			
Trade and other liabilities	19	1,392,588	1,043,089
Loans and borrowings	20	70,327	73,760
		<u>1,462,915</u>	<u>1,116,849</u>
Total liabilities		<u>1,645,695</u>	<u>1,368,357</u>
Net assets		<u>1,791,275</u>	<u>889,665</u>
Issued capital and reserves attributable to owners of the parent			
Share capital	21	100,000	100,000
Retained earnings		1,691,275	789,665
TOTAL EQUITY		<u>1,791,275</u>	<u>889,665</u>

CSL CAPITAL (UK) LIMITED
REGISTERED NUMBER: 11818051

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

The Company's profit for the year was £901,609 (2020 - £937,540).

The financial statements on pages 11 to 63 were approved and authorised for issue by the board of directors and were signed on its behalf by:



O Balogun

Director

Date: 21/03/2022

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Foreign exchange reserve £	Retained earnings £	Total attributable to equity holders of parent £	Total equity £
At 1 January 2021	100,000	-	789,666	889,666	889,666
Comprehensive income for the year					
Profit for the year	-	-	853,829	853,829	853,829
Other comprehensive income	-	(3,459)	-	(3,459)	(3,459)
Total comprehensive income for the year	-	(3,459)	853,829	850,370	850,370
Contributions by and distributions to owners					
At 31 December 2021	100,000	(3,459)	1,643,495	1,740,036	1,740,036

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

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

	Share capital £	Foreign exchange reserve £	Retained earnings £	Total attributable to equity holders of parent £	Total equity £
At 1 January 2020	50,600	-	(147,875)	(97,275)	(97,275)
Comprehensive income for the year					
Profit for the year	-	-	937,540	937,540	937,540
Total comprehensive income for the year	-	-	937,540	937,540	937,540
Contributions by and distributions to owners					
Issue of share capital	49,400	-	-	49,400	49,400
Total contributions by and distributions to owners	49,400	-	-	49,400	49,400
At 31 December 2020	100,000	-	789,665	889,665	889,665

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £	Retained earnings £	Total equity £
At 1 January 2021	100,000	789,666	889,666
Comprehensive income for the year			
Profit for the year	-	901,609	901,609
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	901,609	901,609
Contributions by and distributions to owners			
	<hr/>	<hr/>	<hr/>
At 31 December 2021	<hr/> 100,000 <hr/>	<hr/> 1,691,275 <hr/>	<hr/> 1,791,275 <hr/>

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

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

	Share capital £	Retained earnings £	Total equity £
At 1 January 2020	50,600	(147,875)	(97,275)
Comprehensive income for the year			
Restated - Profit for the year	-	937,540	937,540
	-	937,540	937,540
Total comprehensive income for the year			
Contributions by and distributions to owners			
Issue of share capital	49,400	-	49,400
Total contributions by and distributions to owners	49,400	-	49,400
At 31 December 2020	100,000	789,665	889,665

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the year	853,829	937,540
Adjustments for		
Depreciation of property, plant and equipment	141,823	22,940
Amortisation of intangible fixed assets	1,182	986
Finance expense	12,821	3,718
Net foreign exchange gain	(3,459)	-
Income tax expense	291,822	149,250
	<u>1,298,018</u>	<u>1,114,434</u>
Movements in working capital:		
Decrease/(increase) in trade and other receivables	52,179	(306,585)
(Decrease) /increase in trade and other payables	(667,570)	699,025
	<u>682,627</u>	<u>1,506,874</u>
Cash generated from operations		
Income taxes paid	(192,123)	-
	<u>490,504</u>	<u>1,506,874</u>
Net cash from operating activities		
Cash flows from investing activities		
Purchases of property, plant and equipment	(71,577)	(318,110)
Purchase of intangibles	(48,435)	(3,990)
	<u>(120,012)</u>	<u>(322,100)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Issue of ordinary shares	-	49,400
Payment of lease liabilities	(83,072)	(32,229)
	<u>(83,072)</u>	<u>17,171</u>
Net cash (used in)/from financing activities		
Net cash increase in cash and cash equivalents	<u>287,420</u>	<u>1,201,945</u>
Cash and cash equivalents at the beginning of year	1,298,526	50,608
Cash and cash equivalents at the end of the year	<u><u>1,585,946</u></u>	<u><u>1,252,553</u></u>

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	Restated - 2020 £
Cash flows from operating activities		
Profit for the year	901,609	937,540
Adjustments for		
Depreciation of property, plant and equipment	141,823	22,940
Amortisation of intangible fixed assets	1,182	986
Finance expense	12,821	3,718
Income tax expense	286,856	195,223
	<u>1,344,291</u>	<u>1,160,407</u>
Movements in working capital:		
Decrease/(increase) in trade and other receivables	81,410	(306,585)
(Decrease) /increase in trade and other payables	(752,100)	699,025
	<u>673,601</u>	<u>1,552,847</u>
Cash generated from operations		
Income taxes paid	(187,166)	-
	<u>486,435</u>	<u>1,552,847</u>
Net cash from operating activities		
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	(48,000)	-
Purchases of property, plant and equipment	(71,577)	(318,110)
Purchase of intangibles	-	(3,990)
Payments for share capital of newly created subsidiaries	(41,180)	-
	<u>(160,757)</u>	<u>(322,100)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Issue of ordinary shares	-	49,400
Payment of lease liabilities	(83,072)	(32,229)
	<u>(83,072)</u>	<u>17,171</u>
Net cash (used in)/from financing activities		
	<u>242,606</u>	<u>1,247,918</u>
Net cash increase in cash and cash equivalents		
Cash and cash equivalents at the beginning of year	1,298,526	50,608
	<u>1,541,132</u>	<u>1,298,526</u>
Cash and cash equivalents at the end of the year		

The notes on pages 23 to 63 form part of these financial statements.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

CSL Capital (UK) Limited (the 'Company') is a limited company incorporated and domiciled in England and Wales. The Company's registered office is at 43 - 44 New Bond Street, London, United Kingdom, W1S 2SA. These consolidated financial statements comprise the Company and its subsidiaries (collectively the 'Group' and individually 'Group companies'). The Group is primarily involved in the provision of financial intermediary services.

These are the first consolidated financial statements, together with comparatives, presented by CSL Capital (UK) Limited for the Group. The company previously only presented financial statements for the Company as a single entity.

The monthly average number of employees during the year ended 31 December 2021 was 7 (2020: 5). Details of employee and director remuneration are included in notes 10 and 11 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.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Basis of preparation

The Group's consolidated and the Company's individual financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations as adopted by the UK (collectively IFRSs). They were authorised for issue by the Company's board of directors on March 2022.

Details of the Group's accounting policies, including changes during the year, are included in note 3.

The Company has taken advantage of the exemption available under section 408 of the Companies Act 2006 and elected not to present its own Statement of comprehensive income in these financial statements.

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Group 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 consolidated financial statements and their effects are disclosed in note 5.

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 2021

There are no new standards, interpretations or amendments effective from 1 January 2021 that have had an impact on either the Group's or the Company's financial statements.

3. Accounting policies

3.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.1 Basis of consolidation (continued)

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at this time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.2 Going concern

Having paid due regard to the Group'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 continuing impact on the business as a result of the COVID-19 (Coronavirus) pandemic 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 Group's operations.

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

3.3 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.3 Business combinations (continued)

fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.3 Business combinations (continued)

accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3.4 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 Group recognises revenue at the date of execution of trade between its customer and supplier. Each contract is for a specified number of performance obligations.

The Group 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 Group 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.

3.5 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.

3.6 Foreign currency

In preparing the financial statements of each individual group entity, 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.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see for hedging accounting policies); and
- exchange differences on monetary items receivable from or payable to foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.6 Foreign currency (continued)

Group's foreign operations are translated into pounds using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3.7 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.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.8 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.9 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 Group.

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

3.10 Intangible assets

(i) 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. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Patents	
Trademarks	4 years useful life
Licences	Indefinite useful life

Amortisation of intangible assets is included within Administrative expenses in the Statement of profit or loss and other comprehensive income.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.10 Intangible assets (continued)

(ii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.11 Financial instruments

Financial assets

The Group 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 Group'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.

4. Functional and presentation currency

These consolidated 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.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

Judgement is required for a licence, acquired as part of an acquisition of a subsidiary, which is deemed to have an indefinite useful life as the value shown in the financial statements is assessed for impairment on annual basis.

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.

6. Prior year restatement

The comparative figures in the Company's Statement of Financial Position have been restated. The subsidiary CSL Capital (Africa) Investment Management (CAIM) was incorporated in September 2020 but CSL Capital (UK) Limited's 2020 Statement of Financial Position did not reflect the amount owed by the Company in respect of CAIM's share capital. This adjustment has increased the Company's Investment in subsidiary companies, included within Other non-current investments on the Statement of Financial Position, and Payables to related parties, included within Trade and other payables on the Statement of Financial Position, by £46,269. The adjustment had no impact on the net assets nor profit for the year of CSL Capital (UK) Limited. There was no impact on the Consolidated financial statements.

An additional prior year restatement has been made in the Company's financial statements to reflect a deferred tax liability of £45,973 as at 31 December 2020 that was not included in the 2020. This adjustment has increased the Company's Tax expense on the Statement of Profit or loss and other comprehensive income by £45,973, and increased the Deferred tax liability by the same amount within Non current liabilities on the Statement of Financial Position. As a result of this adjustment, the net assets of the Company were reduced by £45,973 at 31 December 2020.

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Revenue

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

	2021 £	2020 £
Commissions receivable	243,504	51,624
Fees receivable	3,063,667	4,245,847
Other income	14,207	-
	<u>3,321,378</u>	<u>4,297,471</u>

Analysis of revenue by country of destination:

	2021 £	2020 £
Rest of the world	<u>3,321,378</u>	<u>4,297,471</u>

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

	2021 £	2020 £
Commissions receivable	-	51,624
Fees receivable	3,063,667	4,245,847
Other income	1,178	-
	<u>3,064,845</u>	<u>4,297,471</u>

Analysis of revenue by country of destination:

	2021 £	2020 £
Rest of the world	<u>3,064,845</u>	<u>4,297,471</u>

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Expenses by nature

Group

	2021 £	2020 £
Depreciation	141,823	22,940
Amortisation	1,183	986
Foreign exchange (gain) / loss	(7,692)	8,494
Auditors' remuneration	18,666	10,000

Company

	2021 £	2020 £
Depreciation	141,823	22,940
Amortisation	1,183	986
Foreign exchange (gain) / loss	(10,621)	8,494
Auditors' remuneration	13,000	10,000

9. Auditor's remuneration

During the year, the Group obtained the following services from the Group's auditor:

	2021 £	2020 £
Fees payable to the Group's auditor for the audit of the Group's financial statements	13,000	-

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Employee benefit expenses

Group

	2021 £	2020 £
Employee benefit expenses (including directors) comprise:		
Wages and salaries	465,990	478,446
National insurance	91,942	41,801
Defined contribution pension cost	3,175	2,795
	<u>561,107</u>	<u>523,042</u>

Key management personnel compensation

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

	2021 £	2020 £
Salary	323,613	145,716
Directors' fees	1,970	-
	<u>325,583</u>	<u>145,716</u>

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

	2021 No.	2020 No.
All staff	<u>7</u>	<u>5</u>

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Employee benefit expenses (continued)

Company

	2021 £	2020 £
Employee benefit expenses (including directors) comprise:		
National insurance	91,942	41,801
Wages and salaries	464,020	478,446
Defined contribution pension cost	3,175	2,795
	<u>559,137</u>	<u>523,042</u>

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

	2021 No.	2020 No.
All staff	7	5
	<u>7</u>	<u>5</u>

11. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	325,583	145,716
	<u>325,583</u>	<u>145,716</u>

During the year, 0 directors (2020 - 0 directors) exercised share options.

During the year, 0 directors (2020 - 0 directors) received shares under long-term incentive schemes.

The highest paid director's emoluments were as follows:

	2021 £	2020 £
Total emoluments and amounts receivable under long-term incentive schemes (excluding shares)	302,622	-
	<u>302,622</u>	<u>-</u>

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Finance income and expense

Group

Recognised in profit or loss

	2021 £	2020 £
Finance income		
Other interest receivable	8,839	1,191
Finance expense		
Interest on lease liabilities	12,821	3,718
Other loan interest payable	68,290	-
Net finance expense recognised in profit or loss	(72,272)	(2,527)

Company

Recognised in profit or loss

	2021 £	2020 £
Finance income		
Other interest receivable	8,740	1,191
Finance expense		
Interest on lease liabilities	12,821	3,718
	(4,081)	(2,527)

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Tax expense

13.1 Income tax recognised in profit or loss

Group

	2021 £	2020 £
Current tax		
Current tax on profits for the year	288,766	149,250
Overseas tax	3,056	-
Total current tax	<u>291,822</u>	<u>149,250</u>
Deferred tax expense		
Origination and reversal of timing differences	(1,910)	45,973
Total deferred tax	<u>(1,910)</u>	<u>45,973</u>
	<u><u>289,912</u></u>	<u><u>195,223</u></u>
Total tax expense		
Tax expense excluding tax on sale of discontinued operation and share of tax of equity accounted associates and joint ventures	289,912	195,223
	<u><u>289,912</u></u>	<u><u>195,223</u></u>

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Tax expense (continued)

13.1 Income tax recognised in profit or loss (continued)

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2021 £	2020 £
Profit for the year	853,829	937,540
Income tax expense (including income tax on associate, joint venture and discontinued operations)	289,912	195,223
Profit before income taxes	1,143,741	1,132,763
Tax using the Group's domestic tax rate of 19% (2020: 19%)	217,311	215,225
Expenses not deductible for tax purposes, other than goodwill, amortisation and impairment	13,813	6,125
Fixed asset differences	-	208
Higher rate taxes on overseas earnings	881	-
Adjustments to tax charge in respect of prior periods	37,915	45,973
Change in tax rates	10,575	(2,801)
Unrelieved loss on foreign subsidiaries	9,595	-
Other differences leading to an increase/(decrease) in the tax charge	(178)	(69,507)
Total tax expense	289,912	195,223

Changes in tax rates and factors affecting the future tax charges

There were no factors that may affect future tax charges.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tax expense (continued)

13.1 Income tax recognised in profit or loss (continued)

Company

	2021 £	Restated - 2020 £
Current tax		
Current tax on profits for the year	288,766	149,250
Overseas tax	3,056	-
Total current tax	<u>291,822</u>	<u>149,250</u>
Deferred tax expense		
Origination and reversal of timing differences	(1,910)	45,973
Total deferred tax	<u>(1,910)</u>	<u>45,973</u>
	<u>289,912</u>	<u>195,223</u>
Total tax expense		
Tax expense excluding tax on sale of discontinued operation and share of tax of equity accounted associates and joint ventures	<u>289,912</u>	<u>195,223</u>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2021 £	Restated - 2020 £
Profit for the year	901,609	937,540
Income tax expense (including income tax on associate, joint venture and discontinued operations)	286,856	195,223
Profit on ordinary activities before taxation	<u>1,188,465</u>	<u>1,132,763</u>
Tax using the Company's domestic tax rate of 19% (2020: 19%)	225,808	215,225
Expenses not deductible for tax purposes, other than goodwill, amortisation and impairment	12,745	6,125
Fixed asset differences	-	208
Adjustments to tax charge in respect of prior periods	37,915	45,973
Changes in tax rates	10,575	(2,801)
Movement in deferred tax not recognised	(187)	(69,507)
Tax charge for the period	<u>286,856</u>	<u>195,223</u>

Changes in tax rates and factors affecting the future tax charges

There were no factors that may affect future tax charges.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tax expense (continued)

13.2 Current tax assets and liabilities

	2021 £	2020 £
Corp tax (P/L)	288,766	149,250

13.3 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2021 £	2020 £
Deferred tax liabilities	(44,072)	(45,973)
	<u>(44,072)</u>	<u>(45,973)</u>

	Opening balance £	Recognised in profit or loss £	Closing balance £
2021			
Origination and reversal of timing differences	45,973	(1,901)	44,072
	<u>45,973</u>	<u>(1,901)</u>	<u>44,072</u>

	Recognised in profit or loss £	Closing balance £
2020		
Origination and reversal of timing differences	45,973	45,973
	<u>45,973</u>	<u>45,973</u>

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Property, plant and equipment

Group

	Office equipment £	Computer equipment £	Other property, plant and equipment £	Total £
Cost or valuation				
Additions	300,720	17,390	307,805	625,915
At 31 December 2020	300,720	17,390	307,805	625,915
Additions	71,577	-	-	71,577
At 31 December 2021	372,297	17,390	307,805	697,492
	Office equipment £	Computer equipment £	Other property, plant and equipment £	Total £
Accumulated depreciation and impairment				
Charge owned for the year	2,605	2,386	-	4,991
Charged financed for the year	-	-	17,949	17,949
At 31 December 2020	2,605	2,386	17,949	22,940
Charge owned for the year	67,781	4,347	-	72,128
Charged financed for the year	-	-	69,695	69,695
At 31 December 2021	70,386	6,733	87,644	164,763
Net book value				
At 1 January 2020	-	-	-	-
At 31 December 2020	298,115	15,004	289,856	602,975
At 31 December 2021	301,911	10,657	220,161	532,729

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Property, plant and equipment (continued)

14.1. Assets held under leases

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

	31 December 2021 £	31 December 2020 £
Property, plant and equipment owned	312,568	313,119
Right-of-use assets, excluding investment property	220,161	289,856
	<u>532,729</u>	<u>602,975</u>

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

Net book value

	31 December 2021 £	31 December 2020 £
Property	<u>220,161</u>	<u>289,856</u>

Depreciation charge for the year ended

	31 December 2021 £	31 December 2020 £
Property	<u>69,695</u>	<u>17,949</u>

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Property, plant and equipment (continued)

Company

	Office equipment £	Computer equipment £	Other property, plant and equipment £	Total £
Cost or valuation				
Additions	300,720	17,390	307,805	625,915
At 31 December 2020	300,720	17,390	307,805	625,915
Additions	71,577	-	-	71,577
At 31 December 2021	372,297	17,390	307,805	697,492
	Office equipment £	Computer equipment £	Other property, plant and equipment £	Total £
Accumulated depreciation and impairment				
Charge owned for the year	2,605	2,386	-	4,991
Charged financed for the year	-	-	17,949	17,949
At 31 December 2020	2,605	2,386	17,949	22,940
Charge owned for the year	67,781	4,347	-	72,128
Charged financed for the year	-	-	69,695	69,695
At 31 December 2021	70,386	6,733	87,644	164,763
Net book value				
At 1 January 2020	-	-	-	-
At 31 December 2020	298,115	15,004	289,856	602,975
At 31 December 2021	301,911	10,657	220,161	532,729

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Property, plant and equipment (continued)

14.2. Assets held under leases

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

	31 December 2021 £	31 December 2020 £
Property, plant and equipment owned	312,568	313,119
Right-of-use assets, excluding investment property	220,161	289,856
	<u>532,729</u>	<u>602,975</u>

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

Net book value

	31 December 2021 £	31 December 2020 £
Property	<u>220,161</u>	<u>289,856</u>

Depreciation charge for the year ended

	31 December 2021 £	31 December 2020 £
Property	<u>69,695</u>	<u>17,949</u>

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Intangible assets

Group

	Trademarks £	Licences £	Total £
Cost			
At 1 January 2020	740	-	740
Additions - external	3,990	-	3,990
At 31 December 2020	4,730	-	4,730
Acquired through business combinations	-	48,435	48,435
At 31 December 2021	4,730	48,435	53,165
	Trademarks £	Licences £	Total £
Accumulated amortisation and impairment			
At 1 January 2020	77	-	77
Charge for the year - owned	986	-	986
At 31 December 2020	1,063	-	1,063
Charge for the year - owned	1,182	-	1,182
At 31 December 2021	2,245	-	2,245
Net book value			
At 1 January 2020	663	-	663
At 31 December 2020	3,667	-	3,667
At 31 December 2021	2,485	48,435	50,920

A licence held by the Group, with carrying amount £48,435, is deemed to have an indefinite useful life as it is attached to the life of the relevant Group entity, CSL Pay Ltd. As CSL Pay Ltd is considered a going concern, the directors do not deem there to be any need for any impairment of the license's value at the reporting date.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Intangible assets (continued)

Company

	Patents £
Cost	
At 1 January 2020	740
Additions - external	3,990
At 31 December 2020	4,730
At 31 December 2021	4,730
Accumulated amortisation and impairment	
At 1 January 2020	77
Charge for the year - owned	986
At 31 December 2020	1,063
Charge for the year - owned	1,182
At 31 December 2021	2,245
Net book value	
At 1 January 2020	663
At 31 December 2020	3,667
At 31 December 2021	2,485

16. Other non-current investments

Group

	Note	2021 £	2020 £
Unlisted investments		1	-

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Other non-current investments (continued)

Company

	Note	2021 £	Restated - 2020 £
Investments in subsidiary companies	17	1,135,449	46,269

17. Investments in subsidiaries

Details of the Company's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company (%) 2021
1) CSL Pay Ltd	provision of financial intermediary services	England and Wales	100
2) CSL Capital Limited	provision of financial intermediary services	Nigeria	100
3) CSL Capital Africa Investment Management	provision of financial intermediary services	Mauritius	100

CSL Pay Ltd is exempt from audit by virtue of s479A of Companies Act 2006.

The reporting date for CSL Pay Ltd is 31 January. In order to prepare these consolidated accounts transactions between 1 January 2021 and 31 December 2021 were considered.

The registered office address of CSL Pay Ltd is 43-44 New Bond Street, London, United Kingdom, W1S 2SA.

The registered office address of CSL Capital Limited is 44, Marina, Lagos, Lagos State.

The registered office address of CSL Capital Africa Investment Management is Intercontinental Fund Services Limited, Level 5, Alexander House, 35 Cybercity, Ebène 72201, Mauritius.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18. Trade and other receivables

Group

	2021 £	2020 £
Trade receivables	73,075	3,602
Receivables from related parties	13,629	72,456
Total financial assets other than cash and cash equivalents classified as loans and receivables	86,704	76,058
Prepayments and accrued income	50,662	40,019
Other receivables	117,040	190,508
Total trade and other receivables	254,406	306,585

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

Company

	2021 £	2020 £
Trade receivables	73,075	3,602
Trade receivables - net	73,075	3,602
Receivables from related parties	6,874	72,456
Total financial assets other than cash and cash equivalents classified as loans and receivables	79,949	76,058
Prepayments and accrued income	28,351	40,019
Other receivables	116,875	190,508
Total trade and other receivables	225,175	306,585
Total current portion	(225,175)	(306,585)

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Trade and other payables

Group

	2021 £	2020 £
Trade payables	6,884	20,400
Payables to related parties	8,605	-
Other payables	25,232	758,468
Accruals	50,176	44,143
Other payables - tax and social security payments	339,953	173,809
Total trade and other payables	430,850	996,820
Less: current portion - trade payables	(6,884)	(20,400)
Less: current portion - payables to related parties	(8,605)	-
Less: current portion - other payables	(365,185)	(932,277)
Less: current portion - accruals	(50,176)	(44,143)
Total non-current position	-	-

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 CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Trade and other payables (continued)

Company

	2021 £	2020 £
Trade payables	6,884	20,400
Payables to related parties	1,000,186	46,269
Other payables	9,766	758,468
Accruals	35,799	44,143
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	1,052,635	869,280
Other payables - tax and social security payments	339,953	173,809
Total trade and other payables	1,392,588	1,043,089
Less: current portion - trade payables	(6,884)	(20,400)
Less: current portion - payables to related parties	(1,000,186)	(46,269)
Less: current portion - other payables	(349,719)	(932,277)
Less: current portion - accruals	(35,799)	(44,143)
Total current portion	(1,392,588)	(1,043,089)
Total non-current position	-	-

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 CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Loans and borrowings

Group

	2021 £	2020 £
Non-current		
Lease liabilities	138,717	205,535
	<u>138,717</u>	<u>205,535</u>
Current		
Lease liabilities	70,327	73,760
	<u>70,327</u>	<u>73,760</u>
Total loans and borrowings	<u><u>209,044</u></u>	<u><u>279,295</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 Group's loans and borrowings is as follows:

GBP	<u><u>209,044</u></u>	<u><u>279,295</u></u>
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CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Loans and borrowings (continued)

Company

	2021 £	2020 £
Non-current		
Lease liabilities	138,717	205,535
	<u>138,717</u>	<u>205,535</u>
Current		
Lease liabilities	70,327	73,760
	<u>70,327</u>	<u>73,760</u>
Total loans and borrowings	<u><u>209,044</u></u>	<u><u>279,295</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:

	2021 £	2020 £
GBP	209,044	279,295
	<u>209,044</u>	<u>279,295</u>

21. Share capital

Authorised

	2021 Number	2021 £	2020 Number	2020 £
Shares treated as equity				
Ordinary shares of £1.00 each	100,000	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. Share capital (continued)

Issued and fully paid

	2021 Number	2021 £	2020 Number	2020 £
Ordinary shares of £1.00 each				
At 1 January and 31 December	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

22. Reserves

Foreign exchange reserve

Includes the gains/ losses arising on retranslating the net assets of overseas subsidiaries into GBP.

Retained earnings

Includes all of the current year retained profit of £851,919 and the cumulative retained profit brought forward from earlier years of £835,639.

23. Analysis of amounts recognised in other comprehensive income

	Foreign exchange reserve £
Year to 31 December 2021	
Exchange differences arising on translation of foreign operations	(3,459)
	<u>(3,459)</u>

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

24. Leases

Group

(i) Leases as a lessee

In 2020, the Group entered into a lease arrangement for property which is due to expire in 2025.

Lease liabilities are due as follows:

	2021 £	2020 £
Contractual undiscounted cash flows due		
Not later than one year	77,350	83,072
Between one year and five years	148,978	226,328
	<u>226,328</u>	<u>309,400</u>
 Lease liabilities included in the Consolidated Statement of Financial Position at 31 December	 209,044	 279,295
	<u>209,044</u>	<u>279,295</u>
Non-current	138,717	205,535
Current	<u>70,327</u>	<u>73,760</u>

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

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

	2021 £	2020 £
Interest expense on lease liabilities	<u>12,821</u>	<u>3,718</u>

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

24. Leases (continued)

Company

(ii) Leases as a lessee

In 2020, the Company entered into a lease arrangement for property which is due to expire in 2025.

Lease liabilities are due as follows:

	2021 £	2020 £
Contractual undiscounted cash flows due		
Not later than one year	77,350	83,072
Between one year and five years	148,978	226,328
	<u>226,328</u>	<u>309,400</u>
 Lease liabilities included in the Company Statement of Financial Position at 31 December	 <u>209,044</u>	 <u>279,295</u>
Non-current	138,717	205,535
Current	<u>70,327</u>	<u>73,760</u>

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

Group and Company

Right-of-Use Assets

	Land and Buildings £	Total £
At 1 January 2020		
Additions	307,805	307,805
Amortisation	(17,949)	(17,949)
 At 31 December 2020	 <u>289,856</u>	 <u>289,856</u>

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

25. Financial instruments - fair values and risk management

25.1 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 2021	Note	Carrying amount		
		Mandatorily at FVTPL - others	Amortised cost	Total
		£	£	£
Financial assets measured at fair value				
Investments		1	-	1
Financial assets not measured at fair value				
Trade and other receivables	18	-	254,406	254,406
Cash and cash equivalents	28	-	1,585,946	1,585,946
Financial liabilities measured at fair value				
Financial lease liabilities	20	-	209,044	209,044
Trade payables	19	-	430,850	430,850

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

25.1 Accounting classifications and fair values (continued)

31 December 2020	Note	Carrying amount	
		Amortised	Total
		cost £	£
Financial assets not measured at fair value			
Trade and other receivables	18	306,585	306,585
Cash and cash equivalents		1,298,526	1,298,526
	28	<u> </u>	<u> </u>
Financial liabilities not measured at fair value			
Financial lease liabilities	20	279,295	279,295
Trade payables	19	996,820	996,820
		<u> </u>	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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

25.2 Financial risk management objectives

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

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

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group'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 Group 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.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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

25.3 Market risk

Foreign exchange risk arises when the Group enters into transactions denominated in a currency other than their functional currency. This is the main risk that the Group 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 2021 financial year the Group 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 Group 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.

As of 31 December, the Group had exposure to foreign exchange risk through the amounts held in different currencies as listed below:

	Group 2021 £	2020 £
GBP	1,518,324	221,439
USD	49,234	1,077,086
NGN	18,388	
	<u>1,585,946</u>	<u>1,298,525</u>

As of 31 December, the Company had exposure to foreign exchange risk through the amounts held in different currencies as listed below:

	Company 2021 £	2020 £
GBP	1,518,324	221,439
USD	22,808	1,077,086
	<u>1,541,132</u>	<u>1,298,525</u>

25.4 Credit risk

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.

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.

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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

25.5 Liquidity risk management

Liquidity risk arises from the Group's management of working capital. It is the risk that it will encounter difficulty in meeting its financial obligations as they fall due. All the Group's financial liabilities, with the exception of IFRS 16 lease liabilities are due within one year.

Capital risk management

The Group 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 year ended 31 December 2021, the Group was equity funded. Equity comprises share capital and retained losses.

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

CSL CAPITAL (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

26. 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 attracted interest at 2.25% and was fully repaid during the 2021 year.

During 2021, a loan was made to a director of CSL Capital (UK) Limited totalling £307,233. This balance attracted interest at 2% and was fully repaid during the 2021 year. During 2021, a loan was made to a member of key management personnel of £6,500. This balance is subject to interest at 2% and at the balance sheet date there was an outstanding balance of £5,877 on this loan.

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 balance was fully repaid during the 2021 year.

At 31 December 2021, CSL Capital (UK) Limited owed a total balance of £993,312 to its subsidiaries.

At 31 December 2021, there was a balance owed to CSL Stockbrokers Limited by CSL Capital Limited of £8,605, included within Trade and other payables.

CSL Capital Africa Investment Management engaged the services of Intercontinental Fund Services Limited ("IFSL") to provide administration and corporate secretarial services during the year. The Company's directors are related to a director of IFSL. Costs of £38,173 have been recognised within Administrative expenses for the services provided. Of this £8,069 is included within Trade and other payables in the Consolidated statement of financial position at the reporting date. In addition, Directors' fees of £1,970 were paid to IFSL during the year.

CSL Capital Africa Investment Management charged management fees of £13,029 to CSL Capital African High Yield Strategies during the year, a fund in which CSL Capital Africa Management holds a Management share in.

CSL CAPITAL (UK) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

27. Business combinations during the year

27.1 Subsidiaries acquired

Name	Principal activity	Date of acquisition	Proportion of voting equity interests acquired %	Consideration transferred £
CSL Pay Ltd (previously Real Security Management Ltd)	provision of financial intermediary services	21/06/21	100	48,000
				48,000

27.2 Consideration transferred

	CSL Pay Ltd £
Cash	48,000

27.3 Assets acquired and liabilities recognised at the date of acquisition

	CSL Pay Ltd £	Total £
Non-current assets		
Intangible assets	48,435	48,435
Current assets		
Trade and other receivables	165	165
Current liabilities		
Trade and other liabilities	(600)	(600)
	48,000	48,000

No goodwill arose on the acquisition of CSL Pay Ltd as the consideration transferred was equal to the fair value of identifiable net assets acquired.

CSL Capital (UK) Limited purchased CSL Pay Ltd so it could acquire the intellectual property it held.

CSL CAPITAL (UK) LIMITED

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27. Business combinations during the year (continued)

27.4 Net cash outflow on acquisition

	2021 £
Consideration paid in cash	48,000
	<u>48,000</u>

27.5 Impact of acquisition on the results of the Group

There was no impact on the results of the Group as a result of the acquisition.

The revenue and profit of the combined entity for the current reporting period would be unchanged if the acquisition date was as of the beginning of the annual reporting period.

28. Notes supporting statement of cash flows

	2021 £	2020 £
Cash at bank available on demand	1,585,946	1,298,526
Cash and cash equivalents in the statement of financial position	<u>1,585,946</u>	<u>1,298,526</u>
Cash and cash equivalents in the statement of cash flows	<u>1,585,946</u>	<u>1,298,526</u>