

Registered number
04580046

AMENDED
CAPITALNET MANAGEMENT SERVICES LTD
Report and Accounts
31 December 2020

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CAPITALNET MANAGEMENT SERVICES LTD
Report and accounts
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CAPITALNET MANAGEMENT SERVICES LTD
Company Information

Directors

Ahmed Al-Zaiter
Jonathan Beckerlegge (appointed on 01/10/2020)

Auditors

Adam & Co Accountancy Ltd
First Floor
1 Edmund Street
Bradford
West Yorkshire
BD5 0BH

Solicitor

34 Myton Road
Ingleby Barwick Thornaby
TS17 0WG

Bank

Clearbank Ltd
5th Floor
1 Appold Street
London
EC2A 2UT

Solicitors

EC2A 2UT

Registered office

Kingfisher House
2 Kingfisher Way
Stockton on Tees
TS18 3EX

Registered number

04580046

CAPITALNET MANAGEMENT SERVICES LTD

Registered number: 04580046

Directors' Report

The directors present their report and accounts for the year ended 31 December 2020

Principal activities

The company's principal activity during the year continued to be consultancy for investment holdings.

Directors

The following persons served as directors during the year:

Ahmed Al-Zaiter
Jonathan Beckerlegge (appointed on 01/10/2020)

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

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

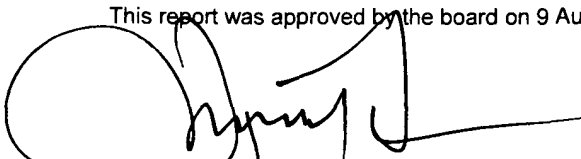
Share Holding

These accounts will be presented as consolidated accounts by the SGP Group Company SGP Capital Holding AG, registered in Switzerland, Registration No: CHE-496.099.622. Registered Address: Felmis Allee 7-9, 6048, Horw, Switzerland.


Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 9 August 2021 and signed on its behalf.



Ahmed Al-Zaiter
Director



Jonathan Michael Beckerlegge
Director

CAPITALNET MANAGEMENT SERVICES LTD
Independent auditor's report
to the members of CAPITALNET MANAGEMENT SERVICES LTD

Opinion

We have audited the accounts of SGP CapitalNet Management Services Limited for the year ended 31 December 2020 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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 accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 accounts is not appropriate; or
- the directors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the report and accounts, other than the accounts and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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; or
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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



Shahbaz Munir (FCCA)
(Senior Statutory Auditor)
for and on behalf of
Adam & Co Accountancy Ltd
Accountants and Statutory Auditors
9 August 2021

First Floor
1 Edmund Street
Bradford
West Yorkshire
BD5 0BH

CAPITALNET MANAGEMENT SERVICES LTD
Profit and Loss Account
for the year ended 31 December 2020


	2020 £	2019 £
Turnover	80,858	39,896
Administrative expenses	(68,633)	(25,707)
Operating Profit	<u>12,225</u>	<u>14,189</u>
Profit before tax	<u>12,225</u>	<u>14,189</u>
Tax on Profit	(2,323)	(2,696)
Profit for the financial year	<u>9,902</u>	<u>11,493</u>


CAPITALNET MANAGEMENT SERVICES LTD
Registered number: 04580046
Balance Sheet
as at 31 December 2020

	Notes	2020 £	2019 £
Current assets			
Debtors	3	57,480	-
Cash at bank and in hand		<u>313,202</u>	<u>29,033</u>
		370,682	29,033
Creditors: amounts falling due within one year	4	(346,133)	(14,386)
Net current assets		24,549	14,647
Total assets less current liabilities		24,549	14,647
Capital and reserves			
Called up share capital		10,000	10,000
Profit and loss account		14,549	4,647
Shareholders' funds		24,549	14,647

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Approved by the board on 9 August 2021


 Ahmed Al-Zaiter
 Director


 Jonathan Michael Beckerlegge
 Director

CAPITALNET MANAGEMENT SERVICES LTD
Statement of Changes in Equity
for the year ended 31 December 2020

	Share capital	Share premium	Re- valuation reserve	Profit and loss account	Total
	£	£	£	£	£
At 1 January 2019	-	-	-	(6,846)	(6,846)
Profit for the financial year				11,493	11,493
Shares issued	10,000	-			10,000
At 31 December 2019	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>4,647</u>	<u>14,647</u>
 At 1 January 2020	 10,000	 -	 -	 4,647	 14,647
Profit for the financial year				9,902	9,902
 At 31 December 2020	 <u>10,000</u>	 <u>-</u>	 <u>-</u>	 <u>14,549</u>	 <u>24,549</u>

CAPITALNET MANAGEMENT SERVICES LTD
Notes to the Accounts
for the year ended 31 December 2020

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease term
Plant and machinery	25% reducing balance
Fixtures, fittings, tools and equipment	25% reducing balance

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

	£	£
Accountants fees	2,000	2,000
Amortisation of intangible assets	-	-
Depreciation of tangible assets	-	-

2 Audit information

The audit report is unqualified.

Senior statutory auditor:	Shahbaz Munir (FCCA)
Firm:	Adam & Co Accountancy Ltd
Date of audit report:	9 August 2021

3 Debtors

	2020 £	2019 £
Trade debtors	47,480	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	10,000	-
	<u>57,480</u>	<u>-</u>

4 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	50,000	-
Taxation and social security costs	5,019	2,696
Other creditors	291,114	11,690
	<u>346,133</u>	<u>14,386</u>

5 Related party transactions

There was no related party transactions in the year ended 31 December 2020.

6 Controlling party

Directors are the ultimate controlling party.

7 Financial Instruments

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

Basic financial instruments are initially recognised at the transaction price and are subsequently measured as follows: Debt instruments are subsequently measured at amortised cost and commitments to receive a loan and to make a loan to another entity are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

All other financial instruments, including derivatives, are initially recognised at fair value, which is normally the transaction price and are subsequently measured at fair value, with any changes recognised in profit or loss.

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

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

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

8 Lease commitments.

Operating lease taken by SGP Financial Ltd over 5 years (Oct 2017), the costs shared by all SGP Group entities, remaining of the contract 2 which will be renewed when both parties meet to agree. The group in discussion in setting its own SIPP for the properties of Stockton on Tees, Sunderland and London.

9 Capital commitments

The company had capital commitments £400,000 at December 31, 2021 and £600,000 for December 31, 2022.

10 Contingent liabilities

The company has no contingent liabilities at 31 December 2020 or 31 December 2019.

11 DIRECTORS' EMOLUMENTS / MANAGEMENT CHARGES

The Directors received no emoluments in respect of their services as Directors of the company. The company's policy from 2008 and subsequent years is to provide each Executive Director with a remuneration package, which not only gives a fair degree of security by way of a base salary, but also through an annual bonus and long term incentive plan, giving a significant performance-related element. In determining the remuneration packages of Executive Directors, the Committee considers a number of factors including the basic salaries and benefits available to Executive Directors of comparable companies, the importance of recruiting and retaining management of an appropriate calibre and links reward to the Group's performance. Management charges paid to SGP Capital Ltd for 2020 were £40,000 (2019: £0).

12 General Information

CapitalNet Management Services Ltd (04580046) is contracted by CapitalNet Management LLC (1130603) in the UAE to handle all of its banking transactions from the United Kingdom. Operational costs are charged at a percentage by the sister company SGP Accountants Ltd ((05176981).

The wages costs for SGP Accountants Ltd (05176981) are directly attributed from SGP HRPayroll Ltd (10272319), which is where all SGP Capital Group employees in UK are employed, with benefits being charged at a proportion to subsidiary associates companies. It does not hold its own PAYE account. In 2020 the payroll costs are £1,018,429.23 compared to 2019 payroll costs of £891,469.74. Although covid-19 hit a lot of companies, SGP HRPayroll Ltd (10272319) has been fortunate enough to be able to offer employment during the pandemic and staff numbers have risen from 17 in 2019 to 20 members of staff in 2020.

SGP Financial Ltd (09224030) handles all of the financial business costs, at a proportion of the overall SGP Group companies. The group has well established relationships with clients and suppliers across different geographical areas and industries and are confident that they can manage the financial impact of the business risks, including covid-19 and Brexit. The resilience measures taken early in the pandemic have improved our immediate and long-term resilience. SGP Accountants USA contracts out all of their clients to be served by SGP Accountants Inc (0649184).

The Executive Board is responsible for driving the Board approved strategy for the organisation and lead on issues that cut across the whole organisation and forecasts have been prepared for the group for the period to 31st December 2022, reflecting on the Covid-19 pandemic and the possible impact on the company's operational activities, liquidity, and risk factors.

The average number of persons employed by the company during the year was Nil (2019: Nil).

CAPITALNET MANAGEMENT SERVICES LTD
Detailed profit and loss account
for the year ended 31 December 2020

This schedule does not form part of the statutory accounts

	2020	2019
	£	£
Sales	80,858	39,896
Administrative expenses	(68,633)	(25,707)
Operating Profit	12,225	14,189
Profit before tax	12,225	14,189

CAPITALNET MANAGEMENT SERVICES LTD
Detailed profit and loss account
for the year ended 31 December 2020
This schedule does not form part of the statutory accounts

	2020 £	2019 £
Turnover		
Sales	<u>80,858</u>	<u>39,896</u>
Administrative expenses		
Employee costs:		
Wages and salaries	<u>25,716</u>	<u>22,510</u>
	<u>25,716</u>	<u>22,510</u>
Premises costs:		
Rent	721	1,008
Rates	<u>178</u>	<u>172</u>
	<u>899</u>	<u>1,180</u>
General administrative expenses:		
Insurance	18	17
Management charges payable	<u>40,000</u>	<u>-</u>
	<u>40,018</u>	<u>17</u>
Legal and professional costs:		
Accountancy fees	<u>2,000</u>	<u>2,000</u>
	<u>2,000</u>	<u>2,000</u>
Total administrative expenses	<u>68,633</u>	<u>25,707</u>
Operating Profit	<u>12,225</u>	<u>14,189</u>