

KIN AND CARTA FORMER HOLDCO LIMITED
UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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KIN AND CARTA FORMER HOLDCO LIMITED

COMPANY INFORMATION

Directors	C Kutsor (resigned 6 July 2021) J Schwan (resigned 6 July 2021) M F Gallagher (appointed 6 July 2021) D Fattal (appointed 6 July 2021)
Company secretary	D Fattal
Registered number	06831479
Registered office	The Spitfire Building 71 Collier Street London N1 9BE
Bankers	HSBC Bank plc 196 Oxford Street London W1D 1NT
Solicitors	Herbert Smith Freehills LLP Primrose Street London EC2A 2EG

KIN AND CARTA FORMER HOLDCO LIMITED

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KIN AND CARTA FORMER HOLDCO LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2021**

Strategic Report

The Directors present the Strategic Report, their Directors' Report and the unaudited financial statements for the year ended 31 July 2021 ("the financial year" or "year"). Comparative figures are for the year ended 31 July 2020. The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Principal risks and uncertainties

The Company is a wholly-owned subsidiary of Kin and Carta plc (together, Kin and Carta plc and its subsidiaries are "the Group"). The Company sold its investment during the year. With the exception of the sale of its investment, the Company did not trade during the current or preceding financial year, therefore its risks are minimal.

On 31 August 2020, the entire issued share capital of Pragma Consulting Limited was sold for a consideration of £504,653 by the Company to a third party, Handley House Limited. Pragma Consulting Limited's minority interest in Ebeltoft Corporation Limited was also transferred as part of the sale. This sale resulted in a loss of £271,111.

Going concern

The Company participates in the Group's centralised treasury arrangements and shares banking arrangements with its parent and fellow Group companies.

Based on their assessment of the Company's financial position and the enquiries made of the Directors of Kin and Carta plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Kin and Carta plc and or its relevant subsidiaries will be able to financially support the Company if there is need. Therefore, although the Company is in a net liability position, the Directors of the Company continue to adopt the going concern basis of accounting in preparing these financial statements.

This report was approved by the Board and signed by its order

DocuSigned by:

Daniel Fattal

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D Fattal
Company Secretary
Date: 28 April 2022

KIN AND CARTA FORMER HOLDCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2021

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

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements 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 to enable them to ensure that the financial statements 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.

Results and dividends

On 31 August 2020, the entire issued share capital of Pragma Consulting Limited was sold for a consideration of £504,653 by the Company to a third party, Handley House Limited. Pragma Consulting Limited's minority interest in Ebeltoft Corporation Limited was also transferred as part of the sale. This sale resulted in a loss of £271,111.

The loss for the year, after taxation, amounted to £271,111 (2020 - £nil).

The Directors do not recommend the payment of a final dividend (2020 – £nil).

KIN AND CARTA FORMER HOLDCO LIMITED

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

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

C Kutsor (resigned 6 July 2021)
J Schwan (resigned 6 July 2021)
M F Gallagher (appointed 6 July 2021)
D Fattal (appointed 6 July 2021)

This report was approved by the Board and signed by its order by

DocuSigned by:

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D Fattal
Company Secretary
Date: 28 April 2022

KIN AND CARTA FORMER HOLDCO LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2021**

	Note	2021 £	2020 £
Loss on disposal of subsidiary	4	(271,111)	-
Operating loss		<u>(271,111)</u>	<u>-</u>
Loss before tax		<u>(271,111)</u>	<u>-</u>
Tax on loss	5	-	-
Loss for the financial year		<u>(271,111)</u>	<u>-</u>
 Total comprehensive expense for the year		<u><u>(271,111)</u></u>	<u><u>-</u></u>

The notes on pages 7 to 11 form part of these financial statements.

All transactions in the current and prior period are derived from discontinued operations

KIN AND CARTA FORMER HOLDCO LIMITED
REGISTERED NUMBER:06831479

BALANCE SHEET
AS AT 31 JULY 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	6	-	493,964
		<u>-</u>	<u>493,964</u>
Creditors: amounts falling due within one year	7	(189,685)	(512,538)
Total assets less current liabilities		<u>(189,685)</u>	<u>(18,574)</u>
Provisions for liabilities	8	(100,000)	-
Net liabilities		<u>(289,685)</u>	<u>(18,574)</u>
Capital and reserves			
Called up share capital	9	3	3
Profit and loss account		(289,688)	(18,577)
		<u>(289,685)</u>	<u>(18,574)</u>

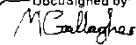
The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

DocuSigned by:

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M F Gallagher
Director
Date: 28 April 2022

The notes on pages 7 to 11 form part of these financial statements.

KIN AND CARTA FORMER HOLDCO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 August 2020	3	(18,577)	(18,574)
Comprehensive expense for the year			
Loss for the year	-	(271,111)	(271,111)
Total comprehensive expense for the year	-	(271,111)	(271,111)
At 31 July 2021	3	(289,688)	(289,685)

The notes on pages 7 to 11 form part of these financial statements.

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 4 August 2019	3	(18,577)	(18,574)
Total comprehensive income for the year	-	-	-
At 31 July 2020	3	(18,577)	(18,574)

The notes on pages 7 to 11 form part of these financial statements.

KIN AND CARTA FORMER HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. General information

Kin and Carta Former Holdco Limited is a private company limited by shares incorporated and domiciled in England and Wales. The address of the registered office is The Spitfire Building, 71 Collier Street, London, England, N1 9BE. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

The financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirement of paragraph 24(b) of IFRS 6 Exploration for and Evaluation of Mineral Resources to disclose the operating and investing cash flows arising from the exploration for and evaluation of mineral resources (when applying this standard in accordance with paragraph 34.11 of FRS 102).

KIN AND CARTA FORMER HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.3 Going concern

The Group's treasury function is responsible for managing the liquidity of the Group and Company. The ultimate parent company, Kin and Carta plc, funds the operations of the Company and other subsidiaries through a combination of equity, inter-company loans and bank overdrafts which it guarantees jointly with certain subsidiaries. The Group has sufficient funding facilities to fund the Company's operations, if needed, for at least twelve months following the date of approval of the financial statements and is committed to make this funding available.

2.4 Investments

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment. Loans to subsidiaries are classified as investments where they are long term funding in nature.

The assessment of the carrying value of investments requires the estimation of future cash flows from the businesses owned and operated by the subsidiaries which compose the Company's investments. These forecast cash flows are subject to uncertainty and if the actual cash flows are lower than those forecast, this could result in an impairment in the investments.

2.5 Creditors

Trade creditors are not interest bearing and are stated at their nominal value.

2.6 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

3. Information regarding directors and employees

All directors were remunerated by other group companies for their services to the Group as a whole and it is not practicable to apportion their remuneration between the companies of which they are a director. Accordingly, no disclosure has been made for directors' qualifying services in respect of the Company.

4. Loss on disposal of subsidiary

On 31 August 2020, the entire issued share capital of Pragma Consulting Limited was sold for a consideration of £504,653 by the Company to a third party, Handley House Limited. Pragma Consulting Limited's minority interest in Ebeltoft Corporation Limited was also transferred as part of the sale. This sale resulted in a loss of £271,111.

The £271,111 loss on disposal was recorded in the Statement of Comprehensive Income.

KIN AND CARTA FORMER HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

5. Tax on loss

	2021 £	2020 £
Tax on loss	-	-

Factors affecting tax charge for the year

The tax assessed for the year is £nil (2020 - £nil). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	(271,111)	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(51,511)	-
Effects of:		
Disallowable expenses	51,511	-
Total tax charge for the year	-	-

KIN AND CARTA FORMER HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

6. Investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2019	163,964
Additions	330,000
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At 1 August 2020	493,964
Disposals	(493,964)
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At 31 July 2021	-
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Investments represented a 100% holding in the ordinary shares of Pragma Consulting Limited, a wholly-owned subsidiary, at 31 July 2020, incorporated and registered in England and Wales. Its principal activity while controlled by the Company was the provision of retail consulting services.

Additions in 2020 relate to a loan of £330,000 receivable by Kin and Carta plc from Pragma Consulting Limited which was assigned by Kin and Carta plc to the Company (the "Loan") in consideration for a loan receivable from the Company in the same amount. The Company subsequently contributed the Loan to Pragma Consulting Limited. This resulted in the Loan balance being deemed repaid and an increase in the Company's investment in Pragma Consulting Limited.

On 31 August 2020, the entire issued share capital of Pragma Consulting Limited was sold by the Company to a third party, Handley House Limited. Pragma Consulting Limited's minority interest in Ebeltoft Corporation Limited was also transferred as part of the sale.

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	189,685	512,538
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	189,685	512,538
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These amounts are unsecured, interest free and are repayable on demand.

KIN AND CARTA FORMER HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

8. Provisions for liabilities

	Reorganisation £
At 1 August 2020	-
Charged to the Statement of Comprehensive Income	100,000
At 31 July 2021	100,000

9. Called up share capital

	2021 £	2020 £
Allotted, called up and fully paid		
3 (2020 - 3) Ordinary shares of £1.00 each	3	3

Ordinary shares carry the same rights and no right to fixed income.

The profit and loss account represent the cumulative profit and losses.

10. Related party transactions

The Company has taken advantage of the exemption granted by Financial Reporting Standard 102 not to disclose transactions with Kin and Carta plc or its wholly-owned subsidiary undertakings.

11. Ultimate parent company and controlling party

The Company's immediate parent company and controlling party is Kin and Carta Group Limited, a company incorporated and registered in England and Wales. The Company's ultimate parent company and controlling party is Kin and Carta plc, a company also incorporated and registered in England and Wales. Copies of the financial statements of Kin and Carta plc and Kin and Carta Group Limited can be obtained from the Company Secretary at the registered office at The Spitfire Building, 71 Collier Street, London, England, N1 9BE.

The smallest and largest group in which the results of the Company are consolidated is that headed by Kin and Carta plc.