

Registered number: 07015428

C5 CAPITAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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C5 CAPITAL LIMITED

COMPANY INFORMATION

Directors	A D F Pienaar L K Zecher
Registered number	07015428
Registered office	4th Floor Savile Row House 7 Vigo Street London W1S 3HF
Independent auditor	CLA Evelyn Partners Limited Chartered Accountants & Statutory Auditor 45 Gresham Street London EC2V 7BG

C5 CAPITAL LIMITED

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C5 CAPITAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report on C5 Capital Ltd ("the Company") for the year ended 31 December 2022.

Introduction

The principal activities of the Company are the provision of investment management and advisory services to two funds as well as a number of co-invest vehicles. The Company is authorised and regulated by the Financial Conduct Authority ("FCA").

Business review

2022 represented a year of significant transformation for the Company. We began the relocation of C5's General Partner (GP) to Washington, D.C. to realign the firm's team, resources and focus on capturing new US market opportunities.

The Company receives its revenue for investment management services and investment advisory services in accordance with various agreements.

The Company's key financial and other performance indicators during the year were as follows:

	2022 £	2021 £
Turnover	4,385,871	4,405,455
Cost of sales	(126,125)	(101,684)
Administrative expense	(4,526,819)	(4,720,198)
Other operating income	184,021	-
Operating loss	(83,052)	(416,427)
Interest receivable and similar income	85	-
Taxation	-	-
Loss after tax	(82,967)	(416,427)

The Company generated revenues of £4.4m (2021 - £4.4m) and made a loss of £83k (2021 - loss £416k). The net assets of the Company as of 31 December 2022 were £2.2m (2021 - £867k).

C5 CAPITAL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Financial risk management

The Company recognises it is principally exposed to Credit, Operational and Reputational Risk.

Credit risk

There is little exposure to credit risk to non-group entities, with the Company's principal exposure being to its non-trading book debtors and cash held in the bank.

Operational risk

As part of the Company's evaluation of operational risk, management assessed the potential cost of an orderly wind-down. This has been considered within the Company's Internal Capital and Risk Assessment ("ICARA") process. The scenario outcome identified that additional capital be held to mitigate against this risk. Such operational risks include:

- Key person risk
- Cyber security risk and data loss risk
- Force majeure

Whilst not a proxy for the operational risk requirement, the Board recognises that the fixed overhead requirement ("FOR") is the minimum capital that must be held and considers it appropriate for the FOR to meet the Company's provision for operational risk.

Reputational risk

Reputational risk is one of the key risks to any investment manager and can be triggered by events both internally and externally. The quantification of this risk is not straightforward and the firm has no loss data available internally to judge the impact that this might have. Based upon the output of the ICARA scenario analysis, sufficient capital exists to maintain the Company's capital ratio.

Principal risks and uncertainties

The Company's activities expose it to several risks associated with financial markets. These risks include exposure to the movement in the underlying asset classes, particularly equities, and interest rate movements as well as the potential impact of changes in general investor sentiment.

C5 CAPITAL LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172(1) statement

This section serves as the Company's section 172 statement and should be read in conjunction with the Strategic Report. Section 172 of the Companies Act 2006, requires directors to take into consideration the interests of stakeholders in their decision making.

The directors continue to have regard to the interests of the Company's employees and other stakeholders, including the impact of its activities on the community, suppliers, customers, the environment, and the Company's reputation, when making decisions. Acting in good faith and fairly between members, the directors consider what is most likely to promote the success of the Company for its members in the long-term, including:

- As a new business, the Company is currently focused on growth through increasing its assets under management and extending the Company's market reach. When making decisions, the long-term impact is considered by the directors as well as short-term and medium-term.
- The directors consider the interests of employees and deem employees a primary factor in the success of the Company. We aim to be a responsible employer and matters including pay and health & safety are primary considerations when making decisions.
- As a company regulated by the FCA, investor interests and the interests of others, such as suppliers, are also important to the directors.
- When making decisions on the Company's strategy and operations, the directors also consider the impact of those decisions on the local community and environment.
- As the Company grows, the directors are aware of the importance of the Company's reputation and ensure that management operates the Company in a responsible manner with integrity. The directors seek to ensure that this culture is understood and shared across the entire Company.
- The directors' intention is to behave responsibly and with regards to all shareholders, treating them fairly and equally so that they may benefit from the growth of the Company.

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

Andrius Pienaar

A D F Pienaar
Director

Date: 09/06/2023

C5 CAPITAL LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the Company is investment management and advisory services. The firm is authorised and regulated by the Financial Conduct Authority ('FCA') (firm number 589771).

Results and dividends

The loss for the year, after taxation, amounted to £82,967 (2021 - £416,427).

Directors

The directors who served during the year were:

A D F Pienaar
L K Zecher
W E Kilmer (resigned 31 March 2022)

Disclosure of information to auditor

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

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

Post balance sheet events

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

Auditor

The auditor, CLA Evelyn Partners 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.

Andriess Pienaar

A D F Pienaar
Director

Date: 09/06/2023

C5 CAPITAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

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

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 judgements and accounting estimates that are reasonable and prudent; and
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C5 CAPITAL LIMITED

Opinion

We have audited the financial statements of C5 Capital Limited (the 'Company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including 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 Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

C5 CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C5 CAPITAL LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Financial Statements. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

C5 CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C5 CAPITAL LIMITED (CONTINUED)

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 obtained a general understanding of the company's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the company's policies and procedures in relation to compliance with relevant laws and regulations and how management identify breaches of the applicable Financial Conduct Authority (FCA) rules. We also drew on our existing understanding of the Company's industry and regulation.

We understand that the Company complies with requirements of the framework through:

- The directors managing and overseeing a compliance function
- Compliance reviews and reporting
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly and are considered at Board meetings.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Company's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements; and
- The UK regulatory principles, including those governed by the Financial Conduct Authority (FCA).

To gain evidence about compliance with the significant laws and regulations above we reviewed the Company's breaches register, reviewed board meeting minutes, inspected correspondence with the FCA relating to the year and obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries and incorrect recognition of revenue. These areas were communicated to the other members of the engagement team who were not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Testing of a sample of revenue transactions to underlying documentation; and
- Testing of a sample of manual journal entries, selected through applying specific risk assessments based on the Company's processes and controls surrounding manual journal entries.

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

C5 CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF C5 CAPITAL LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Guy Swarbreck

Guy Swarbreck (Jun 9, 2023 17:48 GMT+1)

Guy Swarbreck (Senior Statutory Auditor)

for and on behalf of
CLA Evelyn Partners Limited

Chartered Accountants
Statutory Auditor

45 Gresham Street
London
EC2V 7BG

Date: 09/06/2023

C5 CAPITAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	4	4,385,871	4,405,455
Cost of sales		(126,125)	(101,684)
Gross profit		4,259,746	4,303,771
Administrative expenses		(4,526,819)	(4,720,198)
Other operating income	5	184,021	-
Operating loss		(83,052)	(416,427)
Interest receivable and similar income	9	85	-
Loss before tax		(82,967)	(416,427)
Tax on loss	10	-	-
Loss for the financial year		(82,967)	(416,427)

There was no other comprehensive income for 2022 (2021 - £Nil).

C5 CAPITAL LIMITED
REGISTERED NUMBER:07015428

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	49,938	72,008
Investments	12	15,112	15,112
		<u>65,050</u>	<u>87,120</u>
Current assets			
Debtors: amounts falling due within one year	13	4,873,207	3,540,755
Cash at bank and in hand		144,097	103,795
		<u>5,017,304</u>	<u>3,644,550</u>
Creditors: amounts falling due within one year	14	(2,886,312)	(2,864,873)
Net current assets		<u>2,130,992</u>	<u>779,677</u>
Net assets		<u><u>2,196,042</u></u>	<u><u>866,797</u></u>
Capital and reserves			
Called up share capital		1,099	957
Share premium account		9,977,919	8,565,849
Profit and loss account		(7,782,976)	(7,700,009)
Shareholders' funds		<u><u>2,196,042</u></u>	<u><u>866,797</u></u>

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

Andrius Pienaar

A D F Pienaar
Director

Date: 09/06/2023

The notes on pages 15 to 24 form part of these financial statements.

C5 CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2021	877	7,764,928	(7,283,582)	482,223
Comprehensive income for the year				
Loss for the year	-	-	(416,427)	(416,427)
Shares issued during the year	80	800,921	-	801,001
At 1 January 2022	957	8,565,849	(7,700,009)	866,797
Comprehensive income for the year				
Loss for the year	-	-	(82,967)	(82,967)
Shares issued during the year	142	1,412,070	-	1,412,212
At 31 December 2022	1,099	9,977,919	(7,782,976)	2,196,042

C5 CAPITAL LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(82,967)	(416,427)
Adjustments for:		
Depreciation of tangible assets	31,812	31,441
Increase in debtors	(1,234,284)	(267,918)
Decrease in creditors	(76,729)	(282,136)
Net cash used in operating activities	(1,362,168)	(935,040)
Cash flows from investing activities		
Purchase of tangible fixed assets	(9,742)	(56,380)
Net cash used in investing activities	(9,742)	(56,380)
Cash flows from financing activities		
Issue of ordinary shares	1,412,212	801,001
Net cash generated from financing activities	1,412,212	801,001
Net increase/(decrease) in cash and cash equivalents	40,302	(190,419)
Cash and cash equivalents at beginning of year	103,795	294,214
Cash and cash equivalents at the end of year	144,097	103,795
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	144,097	103,795
	144,097	103,795

C5 CAPITAL LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2022

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	103,795	40,302	144,097
	<u>103,795</u>	<u>40,302</u>	<u>144,097</u>

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

C5 Capital Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 07015428). The registered office address is 4th Floor, Savile Row House, 7 Vigo Street, London, W1S 3HF.

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 judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company made a loss of £83,317 (2021 - £416,427) for the year ended 31 December 2022.

The directors have reviewed the results of the business since the year ended 31 December 2022 and stress tested forecasts for the 12 months subsequent to the approval of the financial statements. The Company has received a letter of support from C5 Holdings SARL, the Company's ultimate parent company, which confirms that C5 Holdings SARL will provide financial support to the company to enable the Company to continue to meet all its liabilities, obligations and capital requirements as they fall due and that C5 Holdings SARL will have sufficient financial resources to provide this support. C5 Holdings SARL's ability to provide financial support is dependent on its ability to raise further external funding which at the date of approval of these financial statements is uncertain.

The directors believe that with the support of the ultimate parent company the Company has sufficient financial resource and capital resources to enable the Company to continue as a going concern for the foreseeable future of at least 12 months from approval of the financial statements and have prepared the financial statements on the going concern basis.

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Turnover

Turnover is recognised for investment advisory services to the extent that it is probable that economic benefits will flow to the Company and revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	10%	straight-line over the term of the lease
Fixtures and fittings	-	20%	

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.7 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid, the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured on initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest-bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The judgements, estimates and assumptions are evaluated at each reporting date and are based on historical experience as adjusted for current market conditions and other factors. Management makes estimates and assumptions concerning the future in preparing the financial statements and the actual results will not always reflect the accounting estimates made. The estimates and assumptions that had a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities of the Company are outlined below.

The Company has significant balances due from group and related parties. The directors have assessed the recoverability of the balances and in their judgement consider the balances to be recoverable and not impaired.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Management fees	<u>4,385,871</u>	<u>4,405,455</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2022 £	2021 £
Other operating income	<u>184,021</u>	<u>-</u>

This relates to costs recharged and set-up costs recovered.

6. Auditor's remuneration

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

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	<u>30,680</u>	<u>25,625</u>

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	1,296,911	1,734,258
Social security costs	180,591	240,079
Cost of defined contribution scheme	38,491	67,935
	<u>1,515,993</u>	<u>2,042,272</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
	<u>14</u>	<u>18</u>

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	<u>362,500</u>	<u>350,000</u>

The highest paid director received remuneration of £362,500 (2021 - £350,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2021 - £Nil).

9. Interest receivable

	2022 £	2021 £
Other interest receivable	<u>85</u>	<u>-</u>

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Taxation

	2022 £	2021 £
	<hr/>	<hr/>
Total current tax	-	-
	<hr/> <hr/>	<hr/> <hr/>
Factors affecting tax charge for the year		
The tax assessed for the year is higher than (2021 - <i>higher than</i>) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:		
	2022 £	2021 £
Loss on ordinary activities before tax	(82,967)	(416,427)
	<hr/>	<hr/>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(15,764)	(79,121)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	647	706
Fixed asset differences	(555)	-
Movement in deferred tax not recognised	15,672	78,415
	<hr/>	<hr/>
Total tax charge for the year	-	-
	<hr/> <hr/>	<hr/> <hr/>

Factors that may affect future tax charges

Finance Act 2021 includes legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023. The full anticipated effect of these changes is reflected in the above deferred tax balances.

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Tangible fixed assets

	Long-term leasehold property improvements £	Fixtures and fittings £	Total £
Cost			
At 1 January 2022	72,771	117,347	190,118
Additions	-	9,742	9,742
At 31 December 2022	<u>72,771</u>	<u>127,089</u>	<u>199,860</u>
Depreciation			
At 1 January 2022	34,714	83,396	118,110
Charge for the year	17,586	14,226	31,812
At 31 December 2022	<u>52,300</u>	<u>97,622</u>	<u>149,922</u>
Net book value			
At 31 December 2022	<u>20,471</u>	<u>29,467</u>	<u>49,938</u>
<i>At 31 December 2021</i>	<u>38,057</u>	<u>33,951</u>	<u>72,008</u>

12. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2022	15,112
At 31 December 2022	<u>15,112</u>

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Debtors

	2022 £	2021 £
Trade debtors	1,630,481	901,485
Amounts owed by group undertakings	2,090,882	1,627,040
Other debtors	667,160	444,791
Prepayments and accrued income	484,684	567,439
	<u>4,873,207</u>	<u>3,540,755</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,667,936	648,691
Amounts owed to group undertakings	98,167	167,701
Corporation tax	98,168	-
Other taxation and social security	18,184	796,913
Other creditors	1,003,857	1,251,568
	<u>2,886,312</u>	<u>2,864,873</u>

15. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
112 Ordinary shares of £1.00 each	112	112
98,670 (2021 - 84,548) B Shares shares of £0.01 each	987	845
	<u>1,099</u>	<u>957</u>

Ordinary A shares are entitled to full voting rights.

Ordinary B shares have no right to vote, no right to receive notices of general meetings and no right to participate in distributions or capitalisation of profits except the right to participate in distributions of profits up to a total equivalent to the outstanding share premium accruing to it in priority to distributions to any other class of share such distributions have the effect of reducing the share premium accruing to the share by a corresponding amount. Each share is redeemable by the company for a payment equivalent to the nominal value thereof plus any amount of share premium accruing to such share after deducting distributions made.

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Reserves

Share premium account

The share premium account is used to record the aggregate amount or value of premiums paid when the Company's shares are issued at an amount in excess of nominal value.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

17. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £38,491 (2021 - £67,935). Contributions totalling £13,991 (2021 - £16,763) were payable to the fund at the balance sheet date and are included in creditors.

18. Commitments under operating leases

At 31 December, the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	163,285	163,285
Later than 1 year and not later than 5 years	116,163	279,448
	<u>279,448</u>	<u>442,733</u>

19. Capital management

The Company defines capital to be share capital, share premium and reserves. As a regulated investment firm the Company is subject to externally imposed capital requirements as applied by the FCA.

C5 CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Related party transactions

During the year, transactions occurred between C5 Capital Limited and the following related parties:

As at 31 December 2022, fellow subsidiaries of C5 Holdings (UK) Limited owed £1,206,783 (2021 - £1,192,606).

As at 31 December 2022, £99,462 (2021 - £3,729) was owed from C5 Holdings (UK) Limited.

As at 31 December 2022, £120,000 (2021 - £310,642) was owed from C5 Holdings SARL.

As at 31 December 2022, £316,462 (2021 - £440,452) was owed from and £840,468 (2021 - £217,457) was owed to C5 Capital USA LLC.

As at 31 December 2022, £655,092 (2021 - £330,604) was owed from and £Nil (2021 - £14,891) was owed to C5 Accelerate LLC.

As at 31 December 2022, £348,010 (2021 - £272,602) was owed from a director, A. Pienaar.

21. Controlling party

The immediate parent undertaking is C5 Holdings (UK) Limited, a company registered in England and Wales.

The ultimate parent undertaking is C5 Holdings SARL, a company registered in Luxembourg.

The ultimate controlling party is Andries Daniel Faber Pienaar, by virtue of their shareholding and directorship in the ultimate parent undertaking.