

Registered number: 09080838

GAPCAP LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 30 JUNE 2019

WEDNESDAY



L8X0ICAQ

LD2

29/01/2020

#25

COMPANIES HOUSE

GAPCAP LIMITED
REGISTERED NUMBER: 09080838

BALANCE SHEET
AS AT 30 JUNE 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	243,828	227,865
Tangible assets	5	4,806	9,488
		<u>248,634</u>	<u>237,353</u>
Current assets			
Debtors	6	5,735,479	5,076,851
Cash at bank and in hand	7	1,934,766	660,233
		<u>7,670,245</u>	<u>5,737,084</u>
Creditors: amounts falling due within one year	8	(7,164,888)	(5,470,567)
Net current assets		<u>505,357</u>	<u>266,517</u>
Total assets less current liabilities		<u>753,991</u>	<u>503,870</u>
Provisions for liabilities			
Deferred tax		(8,367)	(8,367)
		<u>(8,367)</u>	<u>(8,367)</u>
Net assets		<u>745,624</u>	<u>495,503</u>
Capital and reserves			
Called up share capital		825	825
Share premium account		1,436,790	1,436,790
Profit and loss account		(691,991)	(942,112)
		<u>745,624</u>	<u>495,503</u>

GAPCAP LIMITED
REGISTERED NUMBER: 09080838

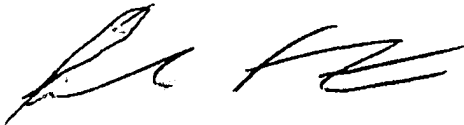
BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2019

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with 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 on



A J M Fenton
Director

The notes on pages 4 to 12 form part of these financial statements.

GAPCAP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2018	825	1,436,790	(942,112)	495,503
Comprehensive income for the year				
Profit for the year	-	-	250,121	250,121
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2019	825	1,436,790	(691,991)	745,624

The notes on pages 4 to 12 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2017	760	836,153	(452,262)	384,651
Comprehensive income for the year				
Loss for the year	-	-	(489,850)	(489,850)
	<hr/>	<hr/>	<hr/>	<hr/>
Shares issued during the year	65	600,637	-	600,702
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2018	825	1,436,790	(942,112)	495,503

The notes on pages 4 to 12 form part of these financial statements.

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

1. General information

GapCap Limited is a private company, limited by shares, registered in England and Wales, registration number 09080838. The principal place of business is 22 Great James Street, London, England, WC1N 3ES.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

2. Accounting policies (continued)**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.6 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 the Statement of Comprehensive Income 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.

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

2. Accounting policies (continued)**2.7 Share based payments**

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Computer software	-	5	years on a straight line basis
-------------------	---	---	--------------------------------

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

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:

Office equipment	-	25%	on a straight line basis
------------------	---	-----	--------------------------

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 the Statement of Comprehensive Income.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

2. Accounting policies (continued)**2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 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 the Statement of Comprehensive Income 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. Employees

The average monthly number of employees, including directors, during the year was 15 (2018 - 15).

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

4. Intangible assets

	Computer software £
Cost	
At 1 July 2018	338,789
Additions	94,150
At 30 June 2019	<u>432,939</u>
Amortisation	
At 1 July 2018	110,923
Charge for the year	78,188
At 30 June 2019	<u>189,111</u>
Net book value	
At 30 June 2019	<u>243,828</u>
At 30 June 2018	<u>227,866</u>

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

5. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 July 2018	22,393
Additions	976
At 30 June 2019	<u>23,369</u>
Depreciation	
At 1 July 2018	12,905
Charge for the year on owned assets	5,658
At 30 June 2019	<u>18,563</u>
Net book value	
At 30 June 2019	<u>4,806</u>
At 30 June 2018	<u>9,488</u>

6. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	14,280	14,280
	<u>14,280</u>	<u>14,280</u>
Due within one year		
Trade debtors	5,301,468	4,913,138
Other debtors	1,677	27,160
Prepayments and accrued income	198,419	122,273
Tax recoverable	219,635	-
	<u>5,735,479</u>	<u>5,076,851</u>

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	1,934,766	660,233

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	6,588,536	4,138,250
Trade creditors	91,122	82,518
Other taxation and social security	66,051	48,020
Other creditors	388,568	1,162,246
Accruals and deferred income	30,611	39,533
	<u>7,164,888</u>	<u>5,470,567</u>

Included within other loans is £4,340,286 (2018: £1,890,000) of loan finance provided by Advance Global Capital Limited. This loan facility attracts an interest rate of 8.5% per annum. Accrued interest of £30,224 in respect of this facility is included in trade creditors.

In addition to the above loan facility included in other loans are secured loan notes of £2,247,000 provided by a consortium of lenders. The loan notes attract an interest rate of 10% per annum.

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

9. Share based payments

	Weighted average exercise price (pence) 2019	Number 2019	Weighted average exercise price (pence) 2018	Number 2018
Granted during the year	6.25	18,000	0	-
Outstanding at the end of the year	6.25	18,000	0	-

	2019 £	2018 £
Equity-settled schemes	18,000	-

During the year the Company issued 18,000 share options to certain employees. No share option charge has been recognised within these financial statements as the resulting charge is not material to the Company's financial statements. Subsequent to the year end all share options were cancelled.

10. Prior year adjustment

During the prior year interest payable on the Company's loan facilities of £432,130 was included within cost of sales. This has been restated during the year and is now presented as a finance cost. This has no impact on the profit or loss for the prior period.

11. 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 £13,357 (2018 - £10,910). Contributions totalling £2,249 (2018 - £1,663) were payable to the fund at the balance sheet date and are included in creditors.

GAPCAP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

12. Commitments under operating leases

At 30 June 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	-	88,200

13. Post balance sheet events

On 18 December 2019 the Company was acquired by Kings Cross Capital Limited.

14. Auditors' information

The auditors' report on the financial statements for the year ended 30 June 2019 was unqualified.

The audit report was signed on 29/01/20 by Anastasia Frangos (Senior Statutory Auditor) on behalf of Haysmacintyre LLP.