

KM Capital Investment Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2021

The Moffatts Partnership LLP
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KM Capital Investment Limited

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KM Capital Investment Limited

Company Information

Directors	Mr Adam Mahmud Kamani Mr Stephen Morana Mr Mahesh Patel
Registered office	15 Little Peter Street Manchester M15 4PS
Accountants	The Moffatts Partnership LLP Progress House 396 Wilmslow Road Withington Manchester M20 3BN

KM Capital Investment Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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.

KM Capital Investment Limited
(Registration number: 09314829)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Other financial assets	<u>4</u>	3,493,335	2,538,403
Current assets			
Debtors	<u>5</u>	180,326	180,100
Cash at bank and in hand		125,336	25,445
		<u>305,662</u>	<u>205,545</u>
Creditors: Amounts falling due within one year	<u>6</u>	<u>(3,936,188)</u>	<u>(3,130,316)</u>
Net current liabilities		<u>(3,630,526)</u>	<u>(2,924,771)</u>
Net liabilities		<u>(137,191)</u>	<u>(386,368)</u>
Capital and reserves			
Called up share capital	<u>7</u>	100	100
Profit and loss account		<u>(137,291)</u>	<u>(386,468)</u>
Shareholders' deficit		<u>(137,191)</u>	<u>(386,368)</u>

For the financial year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 8 November 2021 and signed on its behalf by:

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Mr Mahesh Patel
Director

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

15 Little Peter Street
Manchester
M15 4PS
England

These financial statements were authorised for issue by the Board on 8 November 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

The directors have a reasonable expectation that the company has adequate resources and support to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Government grants

Government grants are recognised under the accrual model. Income is recognised in the same period that the related expenditure the grant is intended to compensate is incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

Financial instruments

Classification

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Recognition and measurement

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 1 (2020 - 1).

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

4 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Financial assets at cost less impairment £	Total £
Non-current financial assets			
Cost or valuation			
At 1 April 2020	188,716	2,349,687	2,538,403
Fair value adjustments	333,394	-	333,394
Additions	379,440	440,002	819,442
Disposals	(147,948)	(49,956)	(197,904)
At 31 March 2021	753,602	2,739,733	3,493,335
Impairment			
Carrying amount			
At 31 March 2021	753,602	2,739,733	3,493,335

5 Debtors

	2021 £	2020 £
Other debtors	180,326	180,100
	180,326	180,100

Other debtors includes convertible loan notes in the amount of £180,000 (2020: £180,000), in unquoted companies. The company has obtained security on £60,000 (2020: £60,000) of the convertible loan notes in the form of a registered charge over the issuing companies assets.

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

6 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	<u>8</u>	3,667,980	3,017,980
Accruals and deferred income		3,398	4,001
Other creditors		<u>264,810</u>	<u>108,335</u>
		<u>3,936,188</u>	<u>3,130,316</u>

KM Capital Investment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021

7 Share capital

Allotted, called up and not fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary Shares of £1 each	100	100	100	100

8 Loans and borrowings

	2021	2020
	£	£
Current loans and borrowings		
Other borrowings	3,667,980	3,017,980

9 Financial instruments

Categorisation of financial instruments

	2021	2020
	£	£
Financial assets measured at fair value through profit or loss	753,602	188,716
Financial assets that are debt instruments measured at amortised cost	180,000	180,000
Financial assets that are equity instruments measured at cost less impairment	2,739,732	2,349,687

Financial assets measured at fair value

Listed Shares

The basis for determining fair value for the listed shares held by the company is the quoted market price at the period end as published in the active markets.

The fair value is £753,602 (2020 - £188,716) and the change in value included in profit or loss is £359,247 (2020 - £46,628).

10 Non adjusting events after the financial period

At the date of approval of the accounts it has not been possible to quantify or ascertain the financial impact of the Coronavirus pandemic on the company. No adjustments have been made to any figures in the accounts as a result of the pandemic.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.