Company's Registered Number: 10859711

TUSCAN CAPITAL LIMITED

**Report and accounts
for the year ended**

31 DECEMBER 2021

TUSCAN CAPITAL LIMITED

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TUSCAN CAPITAL LIMITED

DIRECTORS AND ADVISERS

Directors	E F Parsons C G Sanders
Registered office	3rd Floor 12 – 18 Grosvenor Gardens London SW1W 0DH
Independent Auditors	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Company's registered number	10859711

DIRECTORS REPORT for the year ended 31 December 2021

The directors present their report and the accounts for the year ended 31 December 2021, the comparable information is for the year ended 31 December 2020.

Directors' responsibilities statement

The Directors are responsible for preparing 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 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 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 then 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.

All of the Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are not aware of any relevant audit information of which the company's auditor is unaware.

Principal activity

The principal activity of the company is originating bespoke short and medium-term funding solutions to the non-regulated real estate market.

Results and dividends

The results of the company for the period are set out in detail on page 10. The company has not paid any interim dividends during the period and the Directors do not intend to recommend a final dividend for the period.

TUSCAN CAPITAL LIMITED

REPORT OF THE DIRECTORS for the year ended 31 December 2021

Directors

The directors of the company, who have served since incorporation, unless noted were:

E F Parsons
C G Sanders

Directors' liabilities and qualifying third party indemnity provisions

The company has put in place qualifying third party indemnity provisions for all of the Directors of the company in accordance with section 233 of the Companies Act 2006.

Post balance sheet events

The directors are pleased with the performance of the business since the balance sheet date and expect this to continue through the current financial year. However, the current situation between Russia and Ukraine, which commenced on 24 February 2022, is having global political and economic consequences. The effects of these consequences is still emerging and continue to be closely monitored by the Directors.

The loan agreement with Quilam Capital Limited was amended on 11 April 2022 to extend the maturity date of the loan to 26 January 2024.

Independent auditor

Under section 487(2) of the Companies Act 2006, RSM UK Audit LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members, or 28 days after the latest date prescribed for filing the accounts with the Registrar, whichever is earlier.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approval

This Directors' Report was approved by order of the Board on 06/07/22

Edward Parsons

E F Parsons
Director

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF TUSCAN CAPITAL LIMITED

Opinion

We have audited the financial statements of Tuscan Capital Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income and retained earnings, statement of financial position and 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 2021 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 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 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 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 from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

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.

Euan Banks

Euan Banks (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

06/07/22

TUSCAN CAPITAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS for the year ended 31 DECEMBER 2021

	Note	2021	2020
		£	£
Turnover	3	1,230,884	641,973
Cost of sales		(522,981)	(298,208)
Gross profit		**707,903**	**343,765**
Administrative expenses		(1,970,817)	(1,345,507)
Interest and similar income	4	3,037,364	4,256,719
Interest and similar expenses		(910,629)	(954,733)
Other operating income		11,705	78,978
Profit on ordinary activities before taxation	5	**875,526**	**2,379,222**
Tax on loss on ordinary activities	9	-	(100)
Profit after taxation and profit for the period		**875,526**	**2,379,122**
Retained earnings brought forward		649,254	(1,729,868)
Retained earnings carried forward		**1,524,780**	**649,254**

TUSCAN CAPITAL LIMITED

STATEMENT OF FINANCIAL POSITION as at 31 DECEMBER 2021

Company Number: 10859711	**Notes**	**2021**	**2020**
		£	**£**
Fixed assets			
Tangible assets	10	39,718	63,050
Investments		200	200
		39,918	63,250
Current assets			
Debtors	11	13,092,994	9,857,093
Cash at bank and in hand		75,083	26,697
		13,168,077	9,883,790
Creditors: amounts falling due within 1 year	12	(1,182,655)	(797,226)
Net current assets		11,985,422	9,086,564
Total assets less current liabilities		12,025,340	9,149,814
Creditors: amounts falling due after 1 year	13	(10,500,000)	(8,500,000)
Net assets		1,525,340	649,814
Shareholders' equity			
Called up share capital	14	560	560
Profit and loss account		1,524,780	649,254
Shareholders' equity		1,525,340	649,814

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

The financial statements were approved by the Board of Directors and authorised for issue on 06/07/22

Edward Parsons

E F Parsons

The notes on pages 12 to 23 form part of these financial statements.

NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2021

1. Accounting policies

The company is a private company limited by shares. It is incorporated in England & Wales with its registered office and principal place of business is 3rd Floor, 12 – 18 Grosvenor Gardens, London, SW1W 0DH. The nature of the company's operations and its principal activities are set out in the directors report.

Basis of accounting

The financial statements have been prepared in accordance with Financial Reporting Standard 102 – "the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

These financial statements are for the year ended 31 December 2021. The comparative period is for the year ended 31 December 2020. The financial statements have been prepared in Sterling (£).

The Company has taken advantage of the exception under section 399 of the Companies Act 2006 not to prepare consolidated accounts on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about the group.

The following principal accounting policies have been consistently applied:

Going concern

The Company has recorded a profit of £875,526 which resulted in the Company showing net assets of £1,525,340 (2020: net assets of £649,814). The Company continues to invest in its subsidiary companies, providing subordinated debt to support the senior debt facilities in those companies, as well as sourcing, underwriting and servicing loans on behalf of these subsidiaries and providing guarantees in respect of their senior debt facilities.

After reviewing the Group's (Company and its subsidiaries) cash flow forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of no less than twelve months following the approval of the financial statements, and further expect the profit and net assets to grow.

In reaching this conclusion, the directors have taken into account changes in the business environment as a result of the on-going COVID-19 pandemic and amended the business plans accordingly. The directors continue to monitor the recovery of the Group's debtors as well as considering the property market outlook and future demand. The Company is party to a 5-year revolving credit facility ending 26 January 2024 with Quilam Capital Limited that funds both subordination in loans and working capital.

1. Accounting policies (continued)

The financial projections confirm adequate headroom in the Company's revolving credit facility to continue trading on the revised basis. As such, the company continues to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents the amounts derived from the arranging of loans, any associated fees paid on redemption of loans and servicing fees charged to other group companies.

Fees charged for arranging of loans are spread over the life of the loan, or until the beneficial interest in the loan is transferred to another party. At the point the transfer is made, the arrangement fee is recognised in the profit and loss account.

Servicing fees relate to income from other Group companies where the company provides loan origination, underwriting and management services. Servicing fees are recognised in line with the performance of the service.

Interest and similar income

Interest and similar income represents the amounts derived from any interest earned on loans, interest earned on intercompany loans and dividends received from subsidiary undertakings. Dividend income is recognised when the Company's right to receive payment is established.

Interest income on other receivables is recorded at amortised cost and calculated using the effective interest method which allocates interest over the expected lives of the assets. The effective interest method requires the company to estimate future cash flows, in some cases based on its experience of customers' behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the trade receivables. Default fees and interest are charged to customers when they fail to make a repayment within the agreed loan period. Such fees and interest are recognised using an effective interest method and are recognised as turnover when the amounts are expected to be received.

Bad debt expenses

Bad debt expenses comprises the impairment charge for loan advances which have been previously recognised, but for which the customer is subsequently in default, or there is a decrease in the likelihood of full recovery.

Loans are assessed for bad debt on an individual loan by loan basis and therefore there is no requirement for collective provisioning. Any bad debt expenses are recognised in administrative expenses.

Pension costs - 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.

1. Accounting policies (continued)

The contributions are recognised as an expense in the Statement of Comprehensive Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

Operating leases

Rentals paid under operating leases are charged to the profit or loss account on a straight line basis over the period of the lease.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost less accumulated depreciation and any 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

Depreciation on tangible fixed assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Leasehold improvements	life of lease
Furniture, Fixtures and fittings	4 years
Computer equipment	2 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, 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 within 'administrative expenses' in the Statement of Comprehensive Income and Retained Earnings.

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 3 months. 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.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities.

1. Accounting policies (continued)

Financial assets

The company classifies its financial assets into the following categories: cash and cash equivalents, prepayments and loans and advances. The classification is determined by management upon recognition, and is based on the purpose for which the financial assets were acquired.

Financial assets are recognised on the company's Statement of Financial Position when the company becomes a party to the contractual provisions of the instrument. Debt instruments, such as loans and other accounts receivable and payable, are initially measured at fair value and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially at fair value and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors

Loans and advances are amounts due from customers for short term loans issued in the ordinary course of business. On initial recognition they are measured at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment. Subsequent recovery of amounts previously impaired is credited to the Statement of Comprehensive Income and Retained Earnings. Other debtors are measured at transaction price less impairment.

1. Accounting policies (continued)

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

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

Derecognition of financial liabilities

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2021

1. Accounting policies (continued)

Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Called up share capital

This represents the nominal value of shares issued.

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

In preparing these financial statements, the Directors have made the following judgements and other key sources of estimation uncertainty included:

Loans and advances

Loans and advances are regularly considered for possible impairment losses, which require the company to make best estimates of probable losses inherent in the portfolio.

Such an estimate requires consideration of historical loss experience, adjusted for current conditions, and judgements about the probable effects of relevant observable data, including present economic conditions such as default rates, financial health of specific customers, collateral values, and the present and expected future levels of interest rates.

The company's risk management process, which includes standards and policies for reviewing major risk exposures and concentrations, ensures that relevant data are identified and considered either for individual loans, or on a portfolio basis, as appropriate. The company considers a loan where there is risk of capital loss and/or where there may be a requirement to control the underlying collateral to be a non-performing loan.

3 Turnover

	2021	2020
	£	£
Analysis of turnover by business class is as follows:		
Loan origination fees	906,621	400,480
Other fees	324,263	241,493
	1,230,884	641,973

NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2021

4 Interest and similar income

	2021	2020
	£	£
Interest income on loans and receivables	485,696	175,878
Interest on amounts due from subsidiary undertakings	851,668	780,841
Dividends received from subsidiary undertaking	1,700,000	3,300,000
	3,037,364	4,256,719

5 Profit on ordinary activities before taxation is stated after charging:

	2021	2020
	£	£
Depreciation		
- owned assets	36,542	37,439
Defined contribution pension cost	13,001	11,542
Operating leases:		
- office buildings	70,114	65,932

6. Employee information

The average number of persons, including directors employed by the company during the period was:

	Number	Number
Employees	13	10

	£	£
Staff costs for the above persons were:		
Wages and salaries	1,000,222	706,400
Social security costs	124,515	90,235
Cost of defined contribution scheme	13,192	11,542
	1,137,929	808,177

7. **Directors remuneration**

	2021	2020
	£	£
Directors emoluments	350,000	300,000
Contributions to defined contribution pension schemes	4,396	4,379
	354,396	304,379

The emoluments of the highest paid director were £175,000 (2020: £150,000) and pension contributions of £2,198 (2020: £2,189). During the year 2 (2020: 2) directors have benefits accruing under the pension scheme.

8. **Interest and similar expenses**

	2021	2020
	£	£
Interest payable and monitoring fees	910,629	954,733

9. **Tax on profit on ordinary activities**

	2021	2020
	£	£
Current tax		
UK corporation tax on loss for the current period	-	100
Deferred tax		
Origin and reversal of timing differences	-	-
Total tax charge	-	100

The company has unused tax losses of £nil (2020: £nil).

NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2021

10. **Tangible fixed assets**

	Leasehold	Office furniture	Computer Equipment	Total
	£	£	£	£
Cost				
At 1 January 2021	73,462	28,533	25,411	127,406
Additions	4,215	-	8,995	13,210
At 31 December 2021	77,677	28,533	34,406	140,616
Depreciation				
On 1 January 2021	32,698	12,360	19,298	64,356
Charge for the period	20,695	6,246	9,601	36,542
At 31 December 2021	53,393	18,606	28,899	100,898
Net book value				
At 31 December 2021	24,284	9,927	5,507	39,718
At 31 December 2020	40,764	16,173	6,113	63,050

11. **Debtors**

	2021	2020
	£	£
Amounts due from group companies	10,622,926	9,202,685
Other debtors, prepayments and accrued income	2,470,068	654,408
	13,092,994	9,857,093

NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2021

12. **Creditors:** amounts falling due within one year

	2021	2020
	£	£
Trade creditors	5,915	13,069
Amounts due to parent company	-	150,000
Other tax and social security	80,207	35,464
Accruals and sundry creditors	1,096,533	598,693
	1,182,655	797,226

13. **Creditors:** amounts falling due after one year

	2021	2020
	£	£
Loans	10,500,000	8,500,000

On 26 January 2018, the Company entered into a fixed and floating charge over certain assets in favour of Quilam Capital Limited, which was amended on 21 April 2019. Post year end, the loan repayment date was extended to 25 January 2024.

On 26 January 2018, the Company entered into a fixed charge over its shares in Tuscan Capital (Loans) 1 Limited in favour of Macquarie Bank Limited, London branch.

On 21 March 2019 the Company entered into a fixed charge over its shares in Tuscan Capital (Loans) 2 Limited in favour of OneSavings Bank plc.

14. **Share capital**

	2021	2020
	£	£
Allotted, called up and fully paid		
560 ordinary shares of £1 each	560	560

On incorporation the company issued 560 £1 ordinary shares.

NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2021

15. Pension commitments

The company operates a group personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions paid into the scheme during the period were £13,192 (2020: £12,726) and contributions totalling £1,226 (2020: £1,036) were payable to the fund at the Statement of Financial Position date and are included in accruals and sundry creditors.

16. Ultimate controlling party

The parent company and controlling party at the year end, which has interest in 100% of the issued share capital of the company, was Tuscan Capital (Holdings) Limited, a company incorporated in England and Wales. The issued share capital of Tuscan Capital (Holdings) Limited is partly owned by C G Sanders and E F Parsons, directors of the company. There is no overall ultimate controlling party.

17. Contingent liabilities

The company acts as a corporate guarantor for secured debt facilities in both its subsidiaries; Tuscan Capital (Loans) 1 Limited and Tuscan Capital (Loans) 2 Limited. The total amounts due at year-end were £33,252,188 (2020: £31,750,891).

18. Related party disclosures

Transactions between the Company and its related parties are disclosed below:

	Entities holding a participating interest in the parent company	
	2021	**2020**
	£	**£**
Loans received/(repaid) during the year	2,000,000	(1,424,444)
Owed to related parties at 31 December	10,500,000	8,500,000

NOTES TO THE ACCOUNTS for the year ended 31 DECEMBER 2021

18. Related party disclosures (continued)

An amount of £150,000 (2020: £100,000) was repaid to a director in the year on behalf of the parent company. The remaining balance due to the parent company at the year end is £nil (2020: £150,000).

Amounts owed to related parties relate to a 5-year revolving credit facility of £10,500,000 with Quilam Capital Limited expiring 26 January 2024.

In the preparation of these financial statements the directors have taken advantage of the exemption under FRS102 and have not disclosed the details of related party transactions with wholly owned subsidiaries of Tuscan Capital (Holdings) Limited. This has the same principal place of business as Tuscan Capital Limited.

19. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Amounts due:		
Within one year	71,098	48,061
Between one to five years	7,348	79,836
	78,446	127,897

20. Post balance sheet events

The directors are pleased with the performance of the business since the balance sheet date and expect this to continue through the current financial year.

The current situation between Russia and Ukraine, which commenced on 24 February 2022, is having global political and economic consequences. The effects of these consequences is still emerging, and the impact to the business remains uncertain at this point and continue to be closely monitored by the Directors.

The loan agreement with Quilam Capital Limited was amended on 11 April 2022 to extend the maturity date of the loan to 26 January 2024.