

CAPITAL DYNAMICS MMDIV UK LTD

**Company Registration Number:
11255824 (England and Wales)**

Unaudited statutory accounts for the year ended 31 December 2021

Period of accounts

Start date: 1 January 2021

End date: 31 December 2021

CAPITAL DYNAMICS MMDIV UK LTD

Contents of the Financial Statements

for the Period Ended 31 December 2021

Directors report

Profit and loss

Balance sheet

Additional notes

Balance sheet notes

CAPITAL DYNAMICS MMDIV UK LTD

Directors' report period ended 31 December 2021

The directors present their report with the financial statements of the company for the period ended 31 December 2021

Principal activities of the company

Capital Dynamics MMDIV UK Ltd ("theCompany") was incorporated on March 14, 2018 with the aim of providing investors with high quality co-investments alongside top tier private equity funds. The prime objective is to generate an attractive rate of return for subscribers.

Directors

The director shown below has held office during the whole of the period from
1 January 2021 to 31 December 2021

David Smith

The above report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006

This report was approved by the board of directors on
30 September 2022

And signed on behalf of the board by:

Name: David Smith

Status: Director

CAPITAL DYNAMICS MMDIV UK LTD

Profit And Loss Account for the Period Ended 31 December 2021

	2021	2020
	£	£
Turnover:	685,304	1,105,303
Cost of sales:	0	0
Gross profit(or loss):	<u>685,304</u>	<u>1,105,303</u>
Distribution costs:	0	0
Administrative expenses:	(25,530)	26,991
Other operating income:	0	0
Operating profit(or loss):	<u>659,774</u>	<u>1,132,294</u>
Interest receivable and similar income:	0	6
Interest payable and similar charges:	0	0
Profit(or loss) before tax:	<u>659,774</u>	<u>1,132,300</u>
Tax:	0	0
Profit(or loss) for the financial year:	<u>659,774</u>	<u>1,132,300</u>

CAPITAL DYNAMICS MMDIV UK LTD

Balance sheet

As at 31 December 2021

	<i>Notes</i>	<i>2021</i>	<i>2020</i>
		£	£
Called up share capital not paid:		0	0
Fixed assets			
Intangible assets:		0	0
Tangible assets:		0	0
Investments:	3	57,273,562	36,094,006
Total fixed assets:		<u>57,273,562</u>	<u>36,094,006</u>
Current assets			
Stocks:		0	0
Debtors:	4	529	562
Cash at bank and in hand:		348,027	536,017
Investments:		0	0
Total current assets:		<u>348,556</u>	<u>536,579</u>
Prepayments and accrued income:		0	0
Creditors: amounts falling due within one year:	5	(9,867)	(7,561)
Net current assets (liabilities):		<u>338,689</u>	<u>529,018</u>
Total assets less current liabilities:		<u>57,612,251</u>	<u>36,623,024</u>
Creditors: amounts falling due after more than one year:		0	0
Provision for liabilities:		0	0
Accruals and deferred income:		0	0
Total net assets (liabilities):		<u>57,612,251</u>	<u>36,623,024</u>
Capital and reserves			
Called up share capital:		3,483,549	2,466,069
Share premium account:		9,157,318	0
Other reserves:		41,973,964	31,819,309
Profit and loss account:		2,997,420	2,337,646
Total Shareholders' funds:		<u>57,612,251</u>	<u>36,623,024</u>

The notes form part of these financial statements

CAPITAL DYNAMICS MMDIV UK LTD

Balance sheet statements

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

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**This report was approved by the board of directors on 30 September 2022
and signed on behalf of the board by:**

Name: David Smith
Status: Director

The notes form part of these financial statements

CAPITAL DYNAMICS MMDIV UK LTD

Notes to the Financial Statements

for the Period Ended 31 December 2021

1. Accounting policies

Basis of measurement and preparation

These financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of Financial Reporting Standard 102

Turnover policy

Interest income due to the Company is accounted for on an accruals basis. Dividend income from investments is recognised on an accruals basis when the right to receive it is established. Income is recorded gross of any withholding tax. Distributions (return of capital) received from investments are accounted for as a reduction of cost to that investment. When capital distributions exceed the cost of the investment, any further distribution is recognised as realised gains. Distributions of realised capital gains are recognised in the Statement of Comprehensive Income.

Valuation information and policy

The investments of the Company are all non-public investments. These investments are included initially in the financial statements at fair value and are also subsequently carried at fair value. The changes in fair value are recognised in the Statement of Comprehensive Income, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment. The valuation of these investments requires significant judgement by the Director due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such assets. The fair value is as determined by the Director, and typically on the basis of the price of recent investment or on a benchmarking of public market comparable earnings multiples, but other factors are also considered. The methodologies are considered to be consistent with the International Private Equity and Venture Capital Valuation Guidelines. The Director also considers the valuations provided by the lead private equity funds, however in the case of a significant difference the Director will apply its own valuation of the underlying investment. Gains or losses on investments are recognised in the Statement of Comprehensive Income. The underlying assets comprise unquoted investments and because of the inherent uncertainty of valuing such investments the values which will be ultimately realised through future transactions may differ significantly from the valuation of such investments. Investments are held with the intention of resale and the actual realised proceeds will depend on the future trading results and conditions existing at the date of sale. The eventual realisation proceeds will inevitably differ from the current estimated fair value amount and these differences could be significant. Financial assets are derecognised when (a) the contractual rights to the statement of cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Other accounting policies

Basis of preparation The financial statements have been prepared on the going concern basis. The Director has prepared the financial statements in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard ("FRS") 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' Section 1A. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the note 2(12) "Critical accounting judgements and estimation uncertainty". The Company has chosen to apply paragraph 1A(2) of Schedule 1 to the UK Companies Regulations and adapt the Statement of Comprehensive Income format and terminology to comply with Section 5 of FRS 102. The Company has also chosen to apply paragraph 1A(1) of Schedule 1 to adapt the Statement of Financial Position format and terminology to comply with Section 4 of FRS 102. Furthermore the Company has taken the exemption in paragraph 33.1A of FRS 102 in relation to disclosure of related party transactions. **Going concern** On the basis of its assessment of the Company's financial position and resources, the Director believes that the Company is well placed to manage its business risks. Therefore the Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Company continues to adopt the going concern basis of accounting in preparing the annual financial statements. **Expenses** Expenses incurred by the Company are recognised on an accruals basis. **Dividends** As described in section 13 of the Articles of Association, all dividends must be: (i) declared and paid according to the amounts paid up on the shares on which the dividend is paid; and (ii) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly. For the purpose of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount. **Capitalisation of profits** As described in section 14 of the Articles of Association, a capitalised sum which was appropriated from profits available for distribution may be applied: (a) in or towards paying up any amounts unpaid on any existing nil or partly paid shares held by the persons entitled; or (b) in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct. **Taxation** Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income. Current or deferred taxation assets and liabilities are not discounted. (i) **Current tax** Current tax is the amount of income tax payable in respect of the taxable profit for the period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end. The Director periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. He establishes provisions where appropriate

on the basis of amounts expected to be paid to the tax authorities.(ii) **Deferred tax** Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in financial statements. Deferred tax is recognised on all timing differences at the reporting date except for certain circumstances. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and are expected to apply to the reversal of the timing difference. Foreign currency (i) **Functional and presentation currency** The functional and presentational currency of the Company is the British Pound.(ii) **Transactions and balances** Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income. The functional and presentational currency of the Company is the British Pound. At each reporting year monetary assets and liabilities denominated in foreign currencies are translated into British Pounds at the rate of exchange ruling at the reporting date. 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. Exchange gains and losses are recognised in the Statement of Comprehensive Income. **Cash and cash equivalents** Cash and cash equivalents includes cash in hand, deposits held at call with banks, loans and advances to banks repayable on demand, money market deposits and securities, customers' deposits and bank overdrafts. Bank overdrafts, when applicable, are shown within trade payables in current liabilities. As at December 31, 2021, the carrying amounts of cash and cash equivalents approximate their fair values. **Financial instruments** **Financial liabilities** Basic financial liabilities, including trade payables, are classified as debt and are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires. The Company does not hold or issue derivative financial instruments. **Offsetting** Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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. **Investments in associates** The Company's associate undertakings are held exclusively with a view to subsequent resale i.e. held as investment portfolio, and so are not consolidated into the Company accounts. Such investments are measured at fair value through the statement of comprehensive income. **Critical accounting judgements and estimation uncertainty** The preparation of the financial statements requires judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future years affected.(i) **Investment valuation** The process of valuing investments is inevitably based on inherent uncertainties and the resulting values will differ, perhaps materially, from the amounts ultimately realized. Judgement is used in selecting an appropriate valuation technique for financial instruments that are not quoted in an active market.

CAPITAL DYNAMICS MMDIV UK LTD

Notes to the Financial Statements for the Period Ended 31 December 2021

2. Employees

	<i>2021</i>	<i>2020</i>
Average number of employees during the period	0	0

CAPITAL DYNAMICS MMDIV UK LTD

Notes to the Financial Statements

for the Period Ended 31 December 2021

3. Fixed assets investments note

Basic financial assets, including trade and other receivables, loans and cash and cash equivalents 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. At the end of each reporting year 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 statement of cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income. If there is a 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 the Statement of Comprehensive Income. The investments of the Company are all non-public investments. These investments are included initially in the financial statements at fair value and are also subsequently carried at fair value. The changes in fair value are recognised in the Statement of Comprehensive Income, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment. The valuation of these investments requires significant judgement by the Director due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such assets. The fair value is as determined by the Director, and typically on the basis of the price of recent investment or on a benchmarking of public market comparable earnings multiples, but other factors are also considered. The methodologies are considered to be consistent with the International Private Equity and Venture Capital Valuation Guidelines. The Director also considers the valuations provided by the lead private equity funds, however in the case of a significant difference the Director will apply its own valuation of the underlying investment. Gains or losses on investments are recognised in the Statement of Comprehensive Income. The underlying assets comprise unquoted investments and because of the inherent uncertainty of valuing such investments the values which will be ultimately realised through future transactions may differ significantly from the valuation of such investments. Investments are held with the intention of resale and the actual realised proceeds will depend on the future trading results and conditions existing at the date of sale. The eventual realisation proceeds will inevitably differ from the current estimated fair value amount and these differences could be significant. Financial assets are derecognised when (a) the contractual rights to the statement of cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

CAPITAL DYNAMICS MMDIV UK LTD

Notes to the Financial Statements for the Period Ended 31 December 2021

4. Debtors

	<i>2021</i>	<i>2020</i>
	£	£
Trade debtors	0	0
Prepayments and accrued income	529	562
Other debtors	0	0
Total	<u>529</u>	<u>562</u>
Debtors due after more than one year:	0	0

CAPITAL DYNAMICS MMDIV UK LTD

Notes to the Financial Statements

for the Period Ended 31 December 2021

5. Creditors: amounts falling due within one year note

	<i>2021</i>	<i>2020</i>
	£	£
Bank loans and overdrafts	0	0
Amounts due under finance leases and hire purchase contracts	0	0
Trade creditors	0	0
Taxation and social security	0	0
Accruals and deferred income	0	0
Other creditors	9,867	7,561
Total	<u>9,867</u>	<u>7,561</u>

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.