

Company registration number: 451193

Capstone Financial Services Limited

Financial Statements

For The Financial Year Ended 31 December 2021

Quintas
Certified Public Accountants & Statutory Audit Firm
Heron House
Blackpool Park
Blackpool
Cork
www.quintas.ie

Capstone Financial Services Limited

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Capstone Financial Services Limited

Directors And Other Information

Directors	Michael Harty Marie Harty (Retired 6 October 2021) Alasdair Davis
Secretary	Michael Harty
Company number	451193
Registered office	Ulysses House 23/24 Foley Street Dublin 1
Business address	Suite 7, John Dunlop Building Marina Commerical Park Centre Park Road Cork
Auditor	Quintas Heron House Blackpool Park Blackpool Cork www.quintas.ie
Bankers	Allied Irish Bank 66 South Mall Cork
Solicitors	MDM Solicitors 18 South Mall Cork

Capstone Financial Services Limited

Directors Report

The directors present their annual report and the audited financial statements of the company for the financial year ended 31 December 2021.

Directors

The names of the persons who at any time during the financial year were directors of the company are as follows:

Michael Harty
Marie Harty (Retired 6 October 2021)
Alasdair Davis

Principal activities

The principal activity of the Company is to distribute insurance products in Ireland and the Netherlands. These products are underwritten by Underwriters which the Company has built long term relationships with. The Company does not have any underwriting risk relating to the products it manages and distributes.

The Company specialises in Pet insurance in Ireland which trades under Petinsure.ie. The Company vision is to be the best at what we do by making insurance simple and affordable.

The Company produced a very satisfactory set of results during the period under review as gross written premiums increased by 15% to €3,875,821 in 2021 (2020: €3,366,569). Net Fee Income and Commission increased by 1% to €1,310,390 (2020: €1,297,279) and net profit before tax decreased to €150,669 (2020: €157,924).

Principal risks and uncertainties

The Directors continue to follow an appropriate risk strategy, which effectively manages exposures related to the achievement of business objectives by ensuring that appropriate management systems are in place, key financial performance indicators are regularly monitored, staff training provided and health and safety policies are documented and properly implemented.

Credit risk

The majority of the Company's customers pay via credit card and direct debit so bad debts risk is low. Payments outstanding are actively monitored and followed up for a period of 10 days before the policy is cancelled.

Liquidity Risk

This is low risk for the Company as it maintains cash deposits to ensure it has sufficient funds available to meet current liabilities as they fall due. No overdraft or other credit facilities was required during the year.

Compliance Risk

As the Company's main trade is insurance related activity, Central Bank of Ireland compliance rules are constantly monitored and implemented. On an ongoing basis the directors assess risk of non-compliance.

Dividends

During the financial year the directors have not paid any dividends or recommended payment of a final dividend.

Events after the end of the reporting period

In February 2022 the company's parent, Besecure Limited, completed the sale of its shares in Capstone Financial Services Limited to Agria Animal Insurance. The purchaser wishes to establish itself in the Irish market by acquiring an existing entity and the company's operations are expected to continue as normal.

Capstone Financial Services Limited

Directors Report (continued)

Directors and secretary and their interests

The directors and secretary at the financial year end had no interests in shares in the company.

The directors and secretary at the financial year end and their interests in shares in the parent company were as follows:

	At 31/12/21 Number	At 01/01/21 Number
Directors:		
Michael Harty	510	1,000
Marie Harty	490	-
Company secretary:		
Michael Harty	510	1,000

Accounting records

The measures taken by the directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are located at Suite 7, John Dunlop Building, Marina Commercial Park, Centre Park Road, Cork.

Relevant audit information

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

- so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

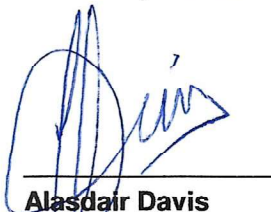
Auditors

In accordance with section 383(2) of the Companies Act 2014, the auditors, Quintas, will continue in office.

This report was approved by the board of directors on 25 April 2022 and signed on behalf of the board by:



Michael Harty
Director



Alasdair Davis
Director

Capstone Financial Services Limited

Directors Responsibilities Statement

The directors are responsible for preparing the directors report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. 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 assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors report comply with the Companies Act 2014 and enable the financial statements to be audited. 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
Capstone Financial Services Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Capstone Financial Services Limited (the 'company') for the financial year ended 31 December 2021 which comprise the profit and loss account, statement of income and retained earnings, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2021 and of its profit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 these 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 the date 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.

**Independent Auditor's Report to the Members of
Capstone Financial Services Limited (continued)**

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on 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.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, 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.

Independent Auditor's Report to the Members of
Capstone Financial Services Limited (continued)

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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

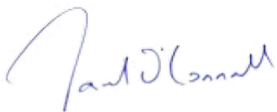
Auditor's responsibilities for the audit of the financial statements

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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's Members, as a body, in accordance with section 391 of the Companies Act 2014. 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.



Paul O'Connell

For and on behalf of

Quintas

Certified Public Accountants and Statutory Audit Firm

Heron House

Blackpool Park

Blackpool

Cork

www.quintas.ie

Date: 8 June 2022

Capstone Financial Services Limited
Profit And Loss Account
Financial Year Ended 31 December 2021

	Note	2021 €	2020 €
Turnover	3	3,875,821	3,366,569
Cost of sales		(2,565,431)	(2,069,290)
Gross profit		1,310,390	1,297,279
Administrative expenses		(1,158,484)	(1,027,918)
Operating profit	4	151,906	269,361
Amounts written off financial assets held as current assets	7	-	(111,437)
Interest payable and similar expenses	8	(1,237)	-
Profit before taxation		150,669	157,924
Tax on profit	9	(23,423)	(32,903)
Profit for the financial year		127,246	125,021

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the financial year as set out above.

The notes on pages 12 to 22 form part of these financial statements.

Capstone Financial Services Limited

Statement Of Income And Retained Earnings
Financial Year Ended 31 December 2021

	2021	2020
	€	€
Profit for the financial year	127,246	125,021
Retained earnings at the start of the financial year	<u>203,554</u>	<u>78,533</u>
Retained earnings at the end of the financial year	<u><u>330,800</u></u>	<u><u>203,554</u></u>

Capstone Financial Services Limited

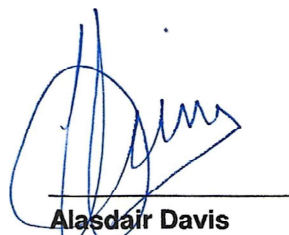
Balance Sheet
As at 31 December 2021

	Note	2021 €	€	2020 €	€
Fixed assets					
Intangible assets	11	-		-	
Tangible assets	12	98,737		71,969	
			98,737		71,969
Current assets					
Debtors	13	146,080		3,775	
Cash at bank and in hand		1,312,475		1,374,457	
		1,458,555		1,378,232	
Creditors: amounts falling due within one year	15	(1,153,320)		(1,064,183)	
Net current assets			305,235		314,049
Total assets less current liabilities			403,972		386,018
Creditors: amounts falling due after more than one year	16		(23,072)		(132,364)
Net assets			380,900		253,654
Capital and reserves					
Called up share capital presented as equity	19		114		114
Share premium account	20		49,986		49,986
Profit and loss account	20		330,800		203,554
Shareholders funds			380,900		253,654

These financial statements were approved by the board of directors on 25 April 2022 and signed on behalf of the board by:



Michael Harty
Director



Alasdair Davis
Director

The notes on pages 12 to 22 form part of these financial statements.

Capstone Financial Services Limited

Statement Of Cash Flows
Financial Year Ended 31 December 2021

	Note	2021 €	2020 €
Cash flows from operating activities			
Profit for the financial year		127,246	125,021
<i>Adjustments for:</i>			
Depreciation of tangible assets		45,363	23,033
Amounts written off financial assets held as current assets		-	111,437
Interest payable and similar expenses		1,237	-
Tax on profit		23,423	32,903
Accrued expenses/(income)		4,971	10,777
<i>Changes in:</i>			
Trade and other debtors		(133,939)	16,328
Trade and other creditors		(18,261)	(348,533)
Cash generated from operations		50,040	(29,034)
Interest paid		(1,237)	-
Tax paid		(65,227)	103
Net cash used in operating activities		(16,424)	(28,931)
Cash flows from investing activities			
Purchase of tangible assets		(72,131)	(82,894)
Net cash used in investing activities		(72,131)	(82,894)
Cash flows from financing activities			
Proceeds from loans from group undertakings		-	(36,680)
Proceeds from finance lease		29,421	-
Net cash from/(used in) financing activities		29,421	(36,680)
Net increase/(decrease) in cash and cash equivalents		(59,134)	(148,505)
Cash and cash equivalents at beginning of financial year	14	1,367,261	1,515,766
Cash and cash equivalents at end of financial year	14	1,308,127	1,367,261

Capstone Financial Services Limited

Notes To The Financial Statements **Financial Year Ended 31 December 2021**

1. General information

The financial statements comprising the profit and loss account, the statement of income and retained earnings, the balance sheet, the statement of cash flows and the related notes constitute the individual financial statements of Capstone Financial Services Limited for the financial year ended 31 December 2021.

Capstone Financial Services Limited is a private company limited by shares (registered under Part 2 of Companies Act 2014), incorporated and registered in Ireland CRO number 451193. The Registered Office is Ulysses House 23/24 Foley Street, Dublin 1 which is also the principal place of business of the company.

Currency

The financial statements have been presented in the Euro currency (€) with rounding.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 (the Act) and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Certified Public Accountants in Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and taxes.

Turnover is recognised in line with payments made by the customer against the full premium of the insurance policy.

Taxation

The charge for taxation is based on the profit for the financial year and is calculated with reference to the tax rates applying at the financial year end date in the jurisdiction where the tax is applied. Deferred taxation is calculated on the differences between the company's taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Full provision for deferred tax assets and liabilities is made at current tax rates on differences that arise between the recognition of gains and losses in the financial statements and their recognition in the tax computation, including differences arising on the revaluation of fixed assets. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Capstone Financial Services Limited

Notes To The Financial Statements (Continued) **Financial Year Ended 31 December 2021**

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 33.33% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset systematically over its expected useful life, on a straight-line basis, as follows:

Fixture, fittings & IT equipment	- 15% & 33.33%	straight line
Motor vehicles	- 20%	straight line
Website	- 33.33%	straight line

Where factors indicate that the residual values or useful lives of tangible assets may have changed, a review will be carried out of the residual values, depreciation methods and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Hire purchase and finance leases

Assets held under finance leases and hire purchase contracts are recognised in the balance sheet and are depreciated over their useful lives with the corresponding lease or hire purchase obligation being recognised as a liability. The interest element of the finance lease rentals are charged to the profit and loss account over the period of the lease and represent a constant periodic rate of interest on the balance of capital repayments outstanding.

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the lease term.

Financial instruments

Ordinary Share Capital

The ordinary share capital of the company is presented as equity.

Cash and cash equivalents

Cash consists of cash on hand and demand deposits.

Other financial assets

Other financial assets, including trade debtors for goods sold to customers on short-term credit, are initially measured at the transaction price including transaction costs, and are subsequently measured at the transaction price plus transaction costs not yet recognised, cumulative interest income less repayments and impairment, where there is evidence of impairment.

Loans and borrowings

All loans made by the company are initially recorded at the amount loaned plus transaction costs. Subsequently, loans made by the company are stated at the transaction price plus transaction costs not yet recognised and cumulative interest income earned minus repayments and any reduction for impairment or uncollectability, where there is evidence of impairment.

All borrowings by the company are initially recorded at the amount borrowed less transaction costs. Subsequently, borrowings are stated at the transaction price minus transaction costs not yet recognised and repayments plus cumulative interest expenses incurred.

Loans and borrowings are classified as current assets or liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least twelve months after the financial year end date.

Other financial liabilities

Other financial liabilities, including trade creditors, are initially measured at transaction price less transaction costs, and are subsequently measured at the transaction price less transaction costs not yet recognised in profit or loss and repayments plus cumulative interest expenses incurred.

Capstone Financial Services Limited

Notes To The Financial Statements (Continued) **Financial Year Ended 31 December 2021**

Impairment of financial assets

At the end of each reporting period, the company assesses whether there is evidence of impairment of any financial assets, including investments, loans, trade debtors and cash. If there is evidence of impairment, impairment losses are recognised in the Profit and Loss account in that financial year.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

Other long term benefits

Other long-term employee benefits are recognised as liabilities measured at the net total of the present value of the benefit obligation at the reporting date and the fair value of plan assets out of which the obligations are to be settled directly.

The change in the liability is recognised in profit or loss, except to the extent that it is required to be included in the cost of an asset.

Judgements and key sources of estimation uncertainty

The directors consider the accounting assumptions below to be its critical accounting judgements:

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements. In making this assessment the directors considered the positive impact that COVID 19 has had on the pet insurance industry.

3. Turnover

The whole of the turnover is attributable to the principal activity of the company which is undertaken in Ireland and the Netherlands.

4. Operating profit

Operating profit is stated after charging/(crediting):

	2021	2020
	€	€
Depreciation of tangible assets	45,363	23,033

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

5. Staff costs

The average number of persons employed by the company during the financial year, including the directors, was as follows:

	2021	2020
	Number	Number
Administrative	14	11
Directors	3	3
	<u>17</u>	<u>14</u>

The aggregate payroll costs incurred during the financial year were:

	2021	2020
	€	€
Wages and salaries	631,613	543,898
Social insurance costs	34,939	30,416
Other retirement benefit costs	12,000	12,000
	<u>678,552</u>	<u>586,314</u>

6. Directors remuneration

The directors aggregate remuneration was as follows:

	2021	2020
	€	€
Emoluments in respect of qualifying services	298,132	263,907
Pension contributions to defined contribution plans in respect of qualifying services	12,000	12,000
	<u>310,132</u>	<u>275,907</u>

7. Amounts written off financial assets held as current assets

	2021	2020
	€	€
Amounts written off current asset investments	<u>-</u>	<u>111,437</u>

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

8. Interest payable and similar expenses

	2021	2020
	€	€
Other loans made to the company:		
Finance leases and hire purchase contracts	1,237	-
	<u>1,237</u>	<u>-</u>

9. Tax on profit

Major components of tax expense

	2021	2020
	€	€
Current tax:		
Irish current tax expense	25,072	33,438
Adjustments in respect of previous periods	(1,649)	(535)
Tax on profit	<u>23,423</u>	<u>32,903</u>

Reconciliation of tax expense

The tax assessed on the profit for the financial year is higher than (2020: higher than) the standard rate of corporation tax in Ireland of 12.50% (2020: 12.50%).

	2021	2020
	€	€
Profit before taxation	<u>150,669</u>	<u>157,924</u>
Profit multiplied by rate of tax	18,834	19,741
Adjustments in respect of prior periods	(1,649)	(535)
Effect of expenses not deductible for tax purposes	10,219	13,371
Effect of capital allowances and depreciation	(4,636)	(329)
Income tax on health contribution	655	655
Tax on profit	<u>23,423</u>	<u>32,903</u>

10. Appropriations of profit and loss account

	2021	2020
	€	€
Profit brought forward at the beginning of the financial year	203,554	78,533
Profit for the financial year	<u>127,246</u>	<u>125,021</u>
Profit carried forward at the end of the financial year	<u>330,800</u>	<u>203,554</u>

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

11. Intangible assets

	Goodwill	Total
	€	€
Cost		
At 1 January 2021 and 31 December 2021	10,000	10,000
Amortisation		
At 1 January 2021 and 31 December 2021	10,000	10,000
Carrying amount		
At 31 December 2021	-	-
At 31 December 2020	-	-

12. Tangible assets

	Fixtures, fittings and equipment €	Motor vehicles €	Website €	Total €
Cost				
At 1 January 2021	78,194	62,950	30,933	172,077
Additions	4,041	-	68,090	72,131
At 31 December 2021	82,235	62,950	99,023	244,208
Depreciation				
At 1 January 2021	71,313	12,590	16,205	100,108
Charge for the financial year	3,892	12,590	28,881	45,363
At 31 December 2021	75,205	25,180	45,086	145,471
Carrying amount				
At 31 December 2021	7,030	37,770	53,937	98,737
At 31 December 2020	6,881	50,360	14,728	71,969

13. Debtors

	2021 €	2020 €
Amounts owed by group undertakings	130,567	-
Other debtors	11,831	-
Prepayments	3,682	3,775
	146,080	3,775

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

14. Cash and cash equivalents

	2021	2020
	€	€
Cash at bank and in hand	1,312,475	1,374,457
Bank overdrafts	(4,348)	(7,196)
	<u>1,308,127</u>	<u>1,367,261</u>

The balance at the year end includes €1,260,897 (2020: €1,313,387) owing to Insurance underwriters for the balances held on behalf of the underwriters.

15. Creditors: amounts falling due within one year

	2021	2020
	€	€
Amounts owed to credit institutions	4,348	7,196
Trade creditors	7,406	27,417
Obligations under finance leases	6,349	-
Other creditors	1,078,533	927,357
Tax and social insurance:		
PAYE and social welfare	22,864	39,926
Corporation tax	-	33,438
Accruals	33,820	28,849
	<u>1,153,320</u>	<u>1,064,183</u>

The other creditors balance includes the amount owing to insurance underwriters for the balances held on the client premium account.

Included in other creditors is €100,000 (2020: €132,364) in relation to provision for the liquidation of Qudos Insurance.

16. Creditors: amounts falling due after more than one year

	2021	2020
	€	€
Obligations under finance leases	23,072	-
Other creditors	-	132,364
	<u>23,072</u>	<u>132,364</u>

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

17. Obligations under finance leases

The total future minimum lease payments under finance lease agreements are as follows:

	2021	2020
	€	€
Not later than 1 year	6,349	-
Later than 1 year and not later than 5 years	23,072	-
	<u>29,421</u>	<u>-</u>

18. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was €12,000 (2020: €12,000).

19. Share capital

Authorised share capital

	2021		2020	
	Number	€	Number	€
Ordinary share capital shares of € 1.00 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

Issued, called up and fully paid

	2021		2020	
	Number	€	Number	€
Amounts presented in equity:				
Ordinary share capital shares of € 1.00 each	<u>114</u>	<u>114</u>	<u>114</u>	<u>114</u>

20. Reserves

Share premium account:

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account:

This reserve records retained earnings and accumulated losses.

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

21. Analysis of changes in net debt

	At 1 January 2021	Cash flows	At 31 December 2021
	€	€	€
Cash and cash equivalents	1,374,457	(61,982)	1,312,475
Bank overdrafts	(7,196)	2,848	(4,348)
Debt due within one year	-	(6,349)	(6,349)
Debt due after one year	-	(23,072)	(23,072)
	<u>1,367,261</u>	<u>(88,555)</u>	<u>1,278,706</u>

22. Capital commitments

At the financial year end the company had the following commitments for capital expenditure:

	2021	2020
	€	€
Contracted but not provided for	<u>-</u>	<u>10,569</u>

23. Events after the end of the reporting period

In February 2022 the company's parent, Besecure Limited, completed the sale of its shares in Capstone Financial Services Limited to Agria Animal Insurance. The purchaser wishes to establish itself in the Irish market by acquiring an existing entity and the company's operations are expected to continue as normal.

24. Related party transactions

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group companies. During the financial year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2021	2020	2021	2020
	€	€	€	€
The Card and Payment Awards Limited	<u>(29,000)</u>	<u>-</u>	<u>(29,000)</u>	<u>-</u>

25. Controlling party

The company is a wholly owned subsidiary of Besecure Limited, a company incorporated in Ireland. Michael Harty (Director) is deemed the ultimate controlling party as he owns 51% of the share capital in the parent company.

Capstone Financial Services Limited

Notes To The Financial Statements (Continued)
Financial Year Ended 31 December 2021

26. Approval of financial statements

The board of directors approved these financial statements for issue on 25 April 2022.