

Company Number: 04309969

AQUIS STOCK EXCHANGE LIMITED
Annual Report and Accounts

FOR THE YEAR ENDED
31 DECEMBER 2022

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Contents

| | |
|--|-----------|
| Company Profile and Information | 2 |
| Directors' Report | 3 |
| Independent auditor's report to the members of Aquis Stock Exchange Limited | 7 |
| Statement of comprehensive income | 11 |
| Statement of financial position | 12 |
| Statement of changes in equity | 13 |
| Notes | 14 |

AQUIS STOCK EXCHANGE LIMITED

COMPANY PROFILE AND INFORMATION

Profile

Aquis Stock Exchange Limited ("AQSE" or "the Company") is a wholly owned subsidiary of Aquis Exchange PLC. The acquisition of AQSE (formerly NEX Exchange Limited) was approved by the Financial Conduct Authority ("FCA") in March 2020.

The Company is incorporated and domiciled in England and Wales and is a private company limited by shares.

The Company is a London-based Recognised Investment Exchange (RIE). It currently focuses on providing Small & Medium Enterprises (SMEs) with access to public financing through equity and debt products.

Directors

The Directors of the Company, who held office from 1 January 2021 up to the date of signing the financial statements, were:

M Berkeley (Chairman)

M Goodliffe

A Haynes (Chief Executive Officer)

L Gregory

D Lopez

Company secretary

P Olm

Registered office

The registered office at the date of signing the financial statements was:

63 Queen Victoria Street, London, EC4N 4UA

Registration Number

04309969

AQUIS STOCK EXCHANGE LIMITED

DIRECTORS' REPORT FOR THE 12 MONTHS ENDED 31 DECEMBER 2021

The Directors present their Directors' Report and the audited financial statements of the Company for the Year ended 31 December 2022.

Principal activities

Aquis Stock Exchange Limited is a London based stock exchange company providing UK and international companies with access to capital through a range of fully listed and growth markets. The AQSE Growth Market is divided into two segments 'Access' and 'Apex', with different levels of admission criteria, in order to provide appropriate support across companies' growth cycles. The Access market focuses on earlier stage growth companies, while Apex is the intended market for larger, more established businesses. It is anticipated that the Company will continue to add to and enhance its present business activities next year through a number of initiatives designed by Aquis Group and AQSE to lead the growth market in the UK.

Business review and future developments

The Directors consider the year-end financial position and performance to be above expectations to the extent that during the year ended 31 December 2022 AQSE became profitable, ahead of the strategic plan with a profit before tax of £419k (2021: £184k loss).

At 31 December 2022, 107 securities were quoted on the two AQSE primary markets, with a total market capitalisation of approximately £1.8bn. With 22 new securities listed, AQSE outperformed AIM (19 listings) with the number of primary issues over financial year to date.

Against the backdrop of challenging conditions at the start of 2023, AQSE is well positioned with a strong pipeline of listings when capital markets recommence normal activities, especially following recent press coverage of the government's focus on early-stage UK capital markets.

Going concern

It is the intention of the Directors of the Company and of the Aquis Exchange PLC Group to operate AQSE on a going concern basis.

The Directors regularly monitor the net capital position of the Company to ensure that the Company has sufficient resources to meet its regulatory Financial Resource Requirement and for its working capital and operational needs. As part of the going concern process Management have prepared forecasts for a period of at least 12 months from the date of this report, have prepared and analysed various scenarios, and have conducted a reverse stress test. As at 31 December 2022, the Company had a net asset position of £3,406k (2021: £2,849k). Given the solvent net assets position of the Company, the sufficient cash that it currently holds, and availability of resources for the Company, the Directors consider that the Company will be able to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Consequently, the financial statements of Aquis Stock Exchange Limited are prepared on a going concern basis. Please see note 1, Basis of Preparation and accounting policies, for further details on the evaluation of the Company's ability to continue as a going concern.

AQUIS STOCK EXCHANGE LIMITED

DIRECTORS' REPORT (continued)

Dividends

No dividends were declared during the year ended 31 December 2022 (2021: nil).

Independent auditors

A resolution to reappoint Mazars LLP as auditors will be put to the members at the Annual General Meeting in accordance with Section 485 of the Companies Act 2006.

Provision of information to the auditors

Each of the persons who is a Director at the date of approval of this annual report confirms that:

- So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware.
- The Directors have taken all the steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Directors' indemnity

The Directors can confirm that at 31 December 2022 there were no qualifying indemnity provisions, for the benefit of Directors of the Company and that such provisions were not in force during the financial year.

Post balance sheet events

The Directors can confirm that there are no significant adjusting or non-adjusting post-balance sheet events to disclose as relevant to the Company.

AQUIS STOCK EXCHANGE LIMITED

DIRECTORS' REPORT (continued)

Statement of Directors' Responsibilities in respect of the financial statements

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Company financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards and applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Company financial statements;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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 and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AQUIS STOCK EXCHANGE LIMITED

DIRECTORS' REPORT (continued)

Directors' confirmations

The Directors consider that the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Director's Report was approved by the Board of Directors on 22 August 2023 and is signed on its behalf by:



Alasdair Haynes

CEO



Michael Berkeley

Chairman

AQUIS STOCK EXCHANGE LIMITED

Independent auditor's report to the members of Aquis Stock Exchange Limited

Opinion

We have audited the financial statements of Aquis Stock Exchange Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (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 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

AQUIS STOCK EXCHANGE LIMITED

Independent auditor's report to the members of Aquis Stock Exchange Limited (continued)

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 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

AQUIS STOCK EXCHANGE LIMITED

Independent auditor's report to the members of Aquis Stock Exchange Limited (continued)

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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: financial crime regulations and regulatory and supervisory requirements from the regulatory authorities where the company conducts its business, primarily the Financial Conduct Authority (FCA) and HM Revenue & Customs (HMRC).

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities, including the FCA and HMRC;
- Reviewing minutes of directors' meetings in the year;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice.

AQUIS STOCK EXCHANGE LIMITED

Independent auditor's report to the members of Aquis Stock Exchange Limited (continued)

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut-off of revenue for performance obligations realised over a period of time), judgements in the calculation and recognition of expected credit losses, and consideration of significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.



Pauline Pélissier (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
30 Old Bailey
London
EC4M 7AU
Date 22/08/2023

AQUIS STOCK EXCHANGE LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | Year ended 31 December 2022 £'000s | Year ended 31 December 2021 £'000s |
|--|-------|--|--|
| Revenue | 7 | 2,445 | 1,881 |
| Operating expenses | 8 | (2,026) | (2,065) |
| Operating profit / (loss) before tax | | 419 | (184) |
| Profit / (loss) before income tax | | 419 | (184) |
| Income tax credit | 9 | 138 | - |
| Profit/(loss) and total comprehensive income for the year | | 557 | (184) |

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

AQUIS STOCK EXCHANGE LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

| | Notes | 31 December 2022 £'000's | 31 December 2021 £'000's |
|----------------------------------|-------|-----------------------------|-----------------------------|
| Non-current assets | | | |
| Deferred tax asset | 9 | 138 | - |
| Current assets | | | |
| Trade and other receivables | 11 | 282 | 194 |
| Cash and cash equivalents | 13 | 4,766 | 3,904 |
| Total current assets | | 5,048 | 4,098 |
| Total assets | | 5,186 | 4,098 |
| Current liabilities | | | |
| Trade and other payables | 14 | 1,780 | 1,249 |
| Total current liabilities | | 1,780 | 1,249 |
| Net assets | | 3,406 | 2,849 |
| Equity | | | |
| Called-up share capital | 15 | 40,715 | 40,715 |
| Other reserves | 16 | 1,500 | 1,500 |
| Accumulated losses | | (38,809) | (39,366) |
| Total equity | | 3,406 | 2,849 |

The notes to the financial statements on pages 14 to 29 form an integral part of these financial statements.
The financial statements on pages 11 to 13 were approved by the Board of Directors and authorised for issue on 22 August 2023 and are signed on its behalf by:

Alasdair Haynes

Alasdair Haynes

CEO

Michael Berkeley

Michael Berkeley

Chairman

AQUIS STOCK EXCHANGE LIMITED COMPANY REGISTRATION NUMBER: 04309969

AQUIS STOCK EXCHANGE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | Share capital £'000 | Other reserves £'000 | Accumulated losses £'000 | Total equity £'000 |
|--|--------|------------------------|----------------------------|--------------------------------|--------------------------|
| Balance as at 1 January 2021 | | 39,915 | 1,900 | (39,182) | 2,633 |
| Loss and total comprehensive income for the year | | - | - | (184) | (184) |
| Issue of share capital | 15, 16 | 800 | (400) | - | 400 |
| Balance at 31 December 2021 | | 40,715 | 1,500 | (39,366) | 2,849 |
| Profit and total comprehensive income for the year | | - | - | 557 | 557 |
| Balance at 31 December 2022 | | 40,715 | 1,500 | (38,809) | 3,406 |

Share Capital

The balance classified as share capital includes the nominal value of the proceeds on issue of the Company's share capital, comprising of 10p ordinary shares.

Other reserves

Other reserves relate to capital contributions from the previous controlling entity, NEX Markets Limited, and from Aquis Exchange PLC during the 9 months ended 31 December 2020.

Notes to the Financial Statements

1 Basis of preparation and accounting policies

The financial statements of Aquis Stock Exchange Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101), the Companies Act 2006 (the Act) as applicable to companies using FRS 101, and under the historic cost convention. FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of UK-adopted International Accounting Standards ('IAS'). The accounting policies have been applied consistently.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. The financial statements of the Company will be included in the Group publicly available consolidated financial statements. Note 17 gives details of the Company's parent and from where its consolidated financial statements for the year ended 31 December 2022, prepared in accordance with IAS, may be obtained.

Per the FRS 101 Reduced Disclosure Framework, the Company is eligible to adopt the following qualifying exemptions:

- Strategic report;
- Cash flow statements;
- Key management compensation;
- Related party transactions between wholly owned group companies;
- Share-based payments;
- Standards not yet effective; and
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.

In adopting the going concern basis for preparing the financial statements the Directors have considered the business activities and the Companies principal risks and uncertainties in the context of the current operating environment. This includes reviews of liquidity and capital forecasts.

In relation to the regulatory capital as at 31 December 2022, the company had significant surplus capital in excess of the FCA requirements. In relation to liquidity, the company has strong liquid resources and is highly cash generative. The company has sufficient liquid resources available to manage stressed liquidity scenarios using available resources without the need for external financing. In addition, the company has access to the parent company for additional funding and liquidity should there be a need to do so.

The company generated a profit for the financial year. Management has produced a forecast of performance for future years, and whilst there is a risk of performance eroding the surplus capital and liquidity resources, this is not considered to represent a material uncertainty to the going concern assumption. Additionally whilst the company has day-to-day operational dependencies on the group, these are not material to the going concern assumption.

The Company has sufficient resources to meet its regulatory Financial Resource Requirement and for its working capital and operational needs. As at 31 December 2022 the Company had a net asset position of £3,406k (31 December 2021: £2,849k). As such, the financial statements of Aquis Stock Exchange Limited have been prepared on a going concern basis.

Notes to the Financial Statements (continued)

1 Basis of preparation and accounting policies (continued)

Accounting policies

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue comprises amounts derived from the provision of services which fall within the Company's ordinary activities all of which arise in the United Kingdom. Revenue received from issuing Companies admitted to AQSE, their associated corporate advisors, secondary market makers and third-party vendors who sell the data generated by the exchange is recognised once the performance obligations for each activity have been satisfied.

Issuer fees

Issuer fees are comprised of initial application and admission fees, annual fees, and further issue fees charged to companies admitted to AQSE.

Companies that wish to be admitted to AQSE pay an initial application fee and, if successful, an admission fee which allows them to be admitted to one of the AQSE markets.

Both application and admission fees are recognised over time monthly across the expected life of a company's admission, in line with IFRS 15 requirements on revenue recognition. An estimation is required to determine the length of time the securities will remain admitted to the Growth Market. Note 3 provides further detail on the estimate and its underlying assumptions.

Annual fees are payable by Companies that are admitted to AQSE. These are charged in advance and are recognised over time across the year as the performance obligation of providing companies admitted to the Exchange is met and are pro-rated for companies admitted part-way through the year.

Additionally, fees apply to issuers wishing to issue further securities, and in this case, revenue is recognised at a point in time when the securities are made available to trade.

Data vendor fees

Redistributors, member firms and multi-media firms pay both an annual fee for access to real time and/or end of day data, and a monthly fee based on the number of users the vendors provide the data to each month. Annual fees are recognised over time as the performance obligation of providing data is fulfilled. Monthly fees are recognised when billed, are charged in arrears and are variable based on usage for the prior month.

Market maker fees

Companies are charged monthly in arrears on a sliding scale of total aggregated traded volume. Market maker fees reflect variable revenue determined monthly and are also recognised over time.

Corporate adviser fees

Corporate advisers pay an initial joining fee, recognised over the expected period of membership to the exchange. They also pay an annual fee based on the number of clients they have admitted to the exchange, which is recognised over time across the year as they receive corporate advisor membership from AQSE.

Pension costs

The Company's employees participate in a defined contribution pension scheme operated by Aquis Exchange PLC. The Company's contributions to the scheme are charged to the profit and loss account on an accrual basis.

Notes to the Financial Statements (continued)

1 Basis of preparation and accounting policies (continued)

Accounting policies (continued)

Taxation

Current tax

The current income tax charge/ (credit) is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country where a company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future measurable taxable profit will be available against which the temporary differences can be utilised.

A deferred tax assets of £138k was recognised as at 31 December 2022 (2021: nil).

Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits, which are subject to insignificant risk of change in value and are readily convertible into a known amount of cash with less than three months maturity.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Financial assets are initially measured at fair value plus transaction costs and are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- 1) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income:

- 1) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- 2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements (continued)

1 Basis of preparation and accounting policies (continued)

Accounting policies (continued)

Financial assets (continued)

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). For the year ended 31 December 2022 (2021: nil) the Company did not hold any Financial Assets measured at FVTPL.

Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Other receivables are defined as amounts due that are outside the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Impairment of financial assets

The Company has applied a simplified "Expected Credit Loss" (ECL) model on financial assets as per IFRS 9 guidance. The Company has considered the probability of a default occurring over the contractual life of the financial asset on initial recognition of the asset, based both on historical default rates. Note 3 sets out further details on the ECL model applied by the Company.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Impairment losses are presented under "administrative expenses". When a trade receivable is determined to be uncollectible, it is written off against the provision account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "administrative expenses" in the comprehensive income statement. The Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the borrower has defaulted on another balance within the Group; or
- the financial asset is more than 90 days past due, with an exemption applied for trade receivables and intercompany receivables for which default is determined on a case by case basis. The Company considers factors such as historical information as a base from which to measure expected credit losses and applies current observable data to reflect the effects of the current conditions.

Financial liabilities

All financial liabilities are initially measured at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

In 2022 the Company did not hold any financial liabilities beyond Trade and other payables, contract liabilities and accrued expenses.

Notes to the Financial Statements (continued)

1 Basis of preparation and accounting policies (continued)

Accounting policies (continued)

Financial liabilities (continued)

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are non-interest bearing and are initially recognised at fair value.

Contract liabilities

Contract liabilities, equivalent to deferred revenue, relate to payments received or is due in advance of the relevant performance obligation being satisfied. They comprise annual fees which are paid by issuers, corporate advisers and market data clients and upfront fees paid by issuers and corporate advisers. The “revenue” section above provides further details on the performance obligations relevant to each revenue stream.

Accrued expenses

Accrued expenses are recognised at fair value and are recognised in the accounting period in which those transactions, events, or circumstances occur.

Equity instruments

Ordinary shares are classified as equity.

Foreign exchange

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in UK Pound Sterling (£), which is the Company’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

All foreign exchange gains and losses recognised in the income statement are presented net within ‘administrative expenses’.

Notes to the Financial Statements (continued)

2 Adoption of new and revised standards and changes in accounting policies

New IFRS Standards that are effective for the current year

There were no new standards effective during the year ended 1 December 2022. Three standards have been amended and are effective as of 2022 as set out below. These have not impacted the current year financial statements.

| | |
|----------------------|---|
| Amendments to IFRS 3 | Definition of a business |
| Amendments to IAS 16 | Property, plant, and equipment |
| Amendments to IAS 37 | Provisions, contingent liabilities, and contingent assets |

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue. The Directors do not expect that the adoption of the Standards listed below will have any impact on the financial statements of the Company in future periods:

| | |
|-------------------------------|------------------------|
| IFRS 17 | Insurance Contracts |
| Amendments to IAS 1 and IAS 8 | Definition of material |
| Amendments to IAS 12 | Income taxes |

There have been no changes to any accounting policies in the year.

3 Critical accounting estimates and judgements

The Company makes various judgements in applying its accounting policies and various assumptions and estimates, including about the future, when determining the carrying value of certain assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at 31 December 2022 that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Company's control and are reflected in the assumptions if and when they occur. As such accounting estimates may differ from the actual carrying amounts and the Company reviews estimates on an ongoing basis to ensure they are accurate and up to date.

Expected credit loss model

An Expected Credit Loss (ECL) model is applied to financial assets in order to estimate the provision for impairment in line with IFRS 9. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, representing the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive.

The Company has applied the simplified approach, using a simplified provision matrix to calculate expected losses on trade receivables. With the simplified approach, the Company recognises a loss allowance based on Lifetime ECLs. The provision matrix is based on the Company's historic default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Trade receivables have payment terms of 30 days from the date of billing.

Notes to the Financial Statements (continued)

3 Critical accounting estimates and judgements (continued)

Expected credit loss model (continued)

The key assumptions in calculating the ECL for AQSE trade receivables are that the probability of default increases with the age of the debt and that the debts are homogenous, i.e. the credit risk assessment is based on age rather than by individual client. The expected loss rates are based on historical analysis of credit losses and adjusted to reflect current and forward-looking information.

Adjusting the provision applied to each age bucket by +/- 10% of the current provision rate would increase/decrease the total ECL by £21k increase/£9k decrease.

The Company considers factors such as historical information as a base from which to measure expected credit losses based on the current observable data to reflect the effects of the current conditions. The balance is split into separate categories depending on the age of each debt, ranging from 0 days past due to over 180 days past due. An appropriate estimation of the probability of default is applied to each category of debt, based on both historical default rates and expectations for the future. The total across all categories is the lifetime ECL provision recognised by the Company against the trade receivables balance. Note 12 provides disclosure of the ECL balance as at 31 December 2022.

For debts older than 180 days, debts are assessed on a case-by-case basis and are written off if there is no reasonable expectation of recovery.

Application/admission fee income

In recognising application and admission fees, the Company determines the expected length of time each new security will be admitted to AQSE. The estimate is based on historical analysis of admission durations in respect of the companies admitted to AQSE. The length of time a security remains admitted incorporates significant uncertainty as it is based on factors outside the control of the Company, and which are inherently difficult to predict. It is currently estimated that an average security will remain admitted for a period of 9 years, and both the application and admission fees are recognised monthly over this period.

It is estimated that a one-year increase/decrease in the deferral period would cause a £7k decrease/£7k increase in annual revenue recognised in the year to 31 December 2022 and a £7k decrease/ £9k increase in subsequent years. The estimated listing periods will be reassessed at each reporting date to ensure they reflect the best estimates of the Company.

4 Financial risk management

Financial risk/actors

The Company's activities expose it to a variety of financial risks, including currency, interest rate, liquidity and credit risk. The overall financial risk management framework, strategy and policies of the Company are determined by the board and by the board of its ultimate parent company, Aquis Exchange PLC.

Financial assets and liabilities

Market Risk

Currency risk

The Company operates principally in the United Kingdom and therefore has limited exposure to foreign exchange risk.

Notes to the Financial Statements (continued)

4 Financial risk management (continued)

Financial assets and liabilities (continued)

Market Risk (continued)

Interest rate risk

The Company's interest rate risk arises from cash at bank and in hand where changes in market rates can have an adverse impact on cash flows and income streams.

The Company's interest rate profile at 31 December 2022 was as follows:

| | None £'000s | Fixed £'000s | Variable £'000s | Total £'000s |
|------------------------------|----------------|-----------------|--------------------|-----------------|
| Financial assets | | | | |
| Cash and cash equivalents | - | - | 4,766 | 4,766 |
| Debtors | 220 | - | - | 220 |
| | 220 | - | 4,766 | 4,986 |
| Financial liabilities | | | | |
| Creditors | (533) | - | - | (533) |
| | (533) | - | - | (533) |

The legal form of variable cash at bank and in hand is 30 day rolling fixed interest deposits, however these are in effect variable in relation to a year's interest rate fluctuations.

The Company's interest rate profile at 31 December 2021 was as follows:

| | None £'000s | Fixed £'000s | Variable £'000s | Total £'000s |
|------------------------------|----------------|-----------------|--------------------|-----------------|
| Financial assets | | | | |
| Cash and cash equivalents | - | - | 3,904 | 3,904 |
| Debtors | 137 | - | - | 137 |
| | 137 | - | 3,904 | 4,041 |
| Financial liabilities | | | | |
| Creditors | (398) | - | - | (398) |
| | (398) | - | - | (398) |

Credit Risk

Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the Company. All counterparties are subject to regular review and assessment by regional credit officers.

Limits are in place to restrict the amount that can be invested at one institution and all investments must be strong institutions holding investment grade credit ratings and be for less than 18 months.

The Company has no significant concentrations of credit risk and the maximum exposure is limited to trade and other receivables (Note 11).

Notes to the Financial Statements (continued)

4 Financial risk management (continued)

Financial assets and liabilities (continued)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit. This is important to ensure that the Company can meet all present and future financial obligations as they fall due and comply with regulatory requirements. The Aquis Exchange PLC Group monitors free cash resources ensuring that all companies within the Group maintain sufficient resources to finance their operations. This dictates the borrowing and investing limits based on an institution's credit rating and the nature of financial instruments that can be held.

The Company's exposure to liquidity risk is not significant.

The following tables show the maturity of the Company's liabilities (excluding contract liabilities and other taxation and social security) as at 31 December 2022 and 31 December 2021:

| | Notes | On demand £'000s | Less than 3 months £'000s | 3 months to 1 year £'000s | More than 1 year £'000s | Total £'000s |
|--------------------------|-------|---------------------|---------------------------------|---------------------------------|----------------------------------|-----------------|
| 31 December 2022 | | | | | | |
| Liabilities | | | | | | |
| Trade and other payables | 13 | (533) | (156) | - | - | (689) |
| Total | | (533) | (156) | - | - | (689) |
| 31 December 2021 | | | | | | |
| Liabilities | | | | | | |
| Trade and other payables | 13 | (390) | (212) | - | - | (602) |
| Total | | (390) | (212) | - | - | (602) |

Regulatory risk

As an FCA regulated business, the Company is subject to regulation, including adherence to specific rules and standards, regulatory examinations and inquiries, monitoring and surveillance, and creation and maintenance of required records. A breach of those obligations by the Company could result in damages, as well as harm to its reputation and loss of clients. The Board's risk appetite provides for the Company to materially operate at all times in accordance with its legal, regulatory and contractual obligations.

Notes to the Financial Statements (continued)

4 Financial risk management (continued)

Fair value measurement

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables) are assumed to approximate their fair values because of the short period to maturity and credit risk.

The Company does not hold any financial assets or liabilities at fair value through profit or loss.

Fair value of financial assets and liabilities measured at amortised cost

The Company's financial assets are classified and measured at amortised cost. None of the Company's financial liabilities are held for trading. The financial assets and liabilities can be reconciled as follows:

| | 31 December 2022 £'000s | 31 December 2021 £'000s |
|------------------------------|----------------------------|----------------------------|
| Financial assets | | |
| Cash and cash equivalents | 4,766 | 3,904 |
| Debtors | 220 | 137 |
| | 4,986 | 4,041 |
| Financial liabilities | | |
| Creditors | (533) | (398) |
| | (533) | (398) |

As at 31 December 2022 there are no assets or liabilities whose carrying value was not a reasonable approximation of its fair value (31 December 2021: none).

Capital management

The Company's capital strategy is to maintain an effective and strong capital base which maximises the return to its shareholders, while also maintaining flexibility and ensuring compliance with supervisory regulatory requirements. The capital structure of the Company consists of debt and equity, including share capital, other reserves and accumulated losses.

The Aquis Exchange PLC Group evaluates the risks facing the business at the Company level, to determine whether its capital is sufficient to cover any expected losses.

The Company seeks to ensure that it has sufficient regulatory capital to meet regulatory requirements. The regulatory capital level is set in accordance with the Financial Conduct Authority's ('FCA') capital requirements. The approach is to hold an appropriate surplus over the minimum. The Company complied with its regulatory capital requirements throughout the year. As at 31 December 2022 the Company held £2,850k in regulatory capital (31 December 2021: £3,033k).

The Company is regulated on a stand-alone basis by the Financial Conduct Authority ('FCA') and is a Recognised Investment Exchange under the Financial Services and Markets Act 2000 and a member of the Aquis Exchange PLC Group.

Notes to the Financial Statements (continued)

5 Employees

Employee costs include:

| | Year ended 31 December 2022 | Year ended 31 December 2021 |
|-----------------------|--|--|
| | £'000s | £'000s |
| Wages and salaries | 1,060 | 969 |
| Social security costs | 131 | 113 |
| Other pension costs | 43 | 38 |
| | 1,234 | 1,120 |

The average number of persons employed by the Company as at 31 December 2022 was 10 (31 December 2021: 9). This includes 4 in compliance and regulation, 2 in operations, and 4 in sales.

6 Directors' remuneration

Remuneration payable to the Directors in respect of their services to the Company was as follows:

| | Year ended 31 December 2022 | | Year ended 31 December 2021 | |
|---|--|----------------------------|--|----------------------------|
| | Total | Highest paid | Total | Highest paid |
| | £'000s | Director £'000s | £'000s | Director £'000s |
| Aggregate emoluments | 140 | 63 | 144 | 63 |
| Contributions to defined contribution pension schemes | - | - | - | - |
| | 140 | 63 | 144 | 63 |

The emoluments disclosed in the table above relate to fees paid to the following Directors: Michael Berkeley, Danny Lopez, and Lesley Gregory. The CEO, A. Haynes, and Mark Goodliffe who sit on the Audit and Risk Committee did not receive any emoluments in respect of their services to the Company. Their emoluments have been borne by Aquis Exchange PLC, the ultimate parent company.

7 Revenue

| | Year ended 31 December 2022 | Year ended 31 December 2021 |
|--|--|--|
| Revenue analysed by class of business | £'000s | £'000s |
| Issuer fees | 1,023 | 693 |
| Data vendor fees | 797 | 745 |
| Other revenue | 625 | 443 |
| | 2,445 | 1,881 |

Other revenue is primarily comprised of Market Maker and Corporate Adviser Fees.

Notes to the Financial Statements (continued)

8 Operating expenses

| | | Year ended 31 December 2022 | Year ended 31 December 2021 |
|---|--------------|--|--|
| | Notes | £'000s | £'000s |
| Employee costs | 5 | 1,234 | 1,120 |
| Intercompany recharges and allocation | | 450 | 495 |
| Marketing fees | | 95 | 91 |
| Professional fees | | 169 | 217 |
| Information fees | | 22 | 49 |
| Communication and equipment | | 8 | 8 |
| Impairment charge | 12 | 13 | 28 |
| Other expenses | | (25) | 2 |
| Fees payable to the Company's auditor for the audit of the Company's financial statements | | 60 | 55 |
| | | 2,026 | 2,065 |

Other expenses relate mainly to such costs as consumables, irrecoverable VAT, and other miscellaneous expenses.

9 Deferred tax assets

A deferred tax asset of £138k (2021: £nil) has been recognised in the current period. The losses are considered able to offset against the Company's taxable profits expected to arise in the next three accounting periods. The balance is entirely comprised of unused tax losses.

The assessment of future taxable profits involves a significant degree of estimation, which management have based on the latest budget for the Company approved by the Board which reflects the improved trading performance largely due to the continued expansion of the business. The preparation of the budget involves a rigorous review process, whereby each revenue stream and cost is scrutinised and challenged in detail so that the final version is considered to be an accurate and plausible representation of what is likely to be achieved in the period.

In calculating the deferred tax asset management has applied a conservative approach, by using probability adjusted revenues, applying lower probabilities to budgeted revenue from more uncertain sources over the forecast period. The analysis predicts profitability is still achievable even when revenues are reduced to reflect this adjustment.

The net deferred tax balance comprises temporary differences attributable to:

| | Year ended 31 December 2022 | Year ended 31 December 2021 |
|---------------------------------|--|--|
| | £'000s | £'000s |
| Tax losses | 138 | - |
| Total deferred tax asset | 138 | - |

Notes to the Financial Statements (continued)

9 Deferred tax assets (continued)

Movement in the deferred tax balance

| | Year ended 31 December 2022 £'000s | Year ended 31 December 2021 £'000s |
|--|--|--|
| As at 1 January | - | - |
| Origination and reversal of timing differences | 105 | - |
| Effects of changes in tax rates | 33 | - |
| Total deferred tax asset | 138 | - |

10 Income tax

The tax credit for the year can be reconciled to the profit / (loss) per the Income Statement as follows:

| | Notes | Year ended 31 December 2022 £'000s | Year ended 31 December 2021 £'000s |
|--|-----------|--|--|
| a) Analysis of credit for the year | | | |
| Current tax: | | | |
| UK corporation tax | | - | - |
| Deferred tax: | | | |
| Origination and reversal of timing differences | | 105 | - |
| Effect of changes in tax rates | | 33 | - |
| Total deferred tax credit | 13 | 138 | - |

b) Factors affecting the tax credit for the year

| | | |
|---|--------------|--------------|
| Profit / (loss) before taxation | 419 | (184) |
| Expected tax charge / (credit) based on a tax rate of 19% | 80 | (35) |
| Expenses not deductible for tax purposes | - | 2 |
| Remeasurement of deferred tax for changes in tax rates | (33) | - |
| Movement in deferred tax not recognised | (185) | 33 |
| Tax (credit) for the year | (138) | - |

11 Trade and other receivables

| | Notes | Year ended 31 December 2022 £'000s | Year ended 31 December 2021 £'000s |
|--|-------|--|--|
| Trade debtors | | 279 | 183 |
| Provision for impairment | 12 | (59) | (46) |
| | | 220 | 137 |
| Prepayments | | 39 | 38 |
| Other receivables | | 23 | 19 |
| Total trade and other receivables | | 282 | 194 |

Notes to the Financial Statements (continued)

12 Expected Credit Loss Provision

The movement in the ECL provision balance is shown in the table below:

| | Year ended 31 December 2022 £'000s | Year ended 31 December 2021 £'000s |
|-----------------------------------|--|--|
| Provision at beginning of period | 46 | 18 |
| Impairment charge | 13 | 28 |
| Provision at end of period | 59 | 46 |

The total loss allowance is calculated by applying the expected loss rate to the trade receivables balance in each age bucket. The total ECL balance as at 31 December 2022 of £59k (2021: £46k) was comprised as follows:

2022 (£000's)

| Days past due | 0 days | 1-29 days | 30-59 days | 60-89 days | 90-124 days | 125 – 149 days | 150-179 days | Over 180 days |
|------------------------------|-----------|--------------|---------------|---------------|----------------|-------------------|-----------------|------------------|
| Expected loss rate | 0.5% | 1% | 3% | 5% | 10% | 25% | 50% | 100% |
| Trade receivables | 109 | 33 | 43 | 2 | 5 | - | 16 | 71 |
| Expected losses | 1 | - | 1 | - | - | - | 8 | 71 |
| Specific provisions released | - | - | - | - | - | - | - | (22) |
| Total ECL | 1 | - | 1 | - | - | - | 8 | 49 |

2021 (£000's)

| Days past due | 0 days | 1-29 days | 30-59 days | 60-89 days | 90-124 days | 125 – 149 days | 150-179 days | Over 180 days |
|------------------------------|-----------|--------------|---------------|---------------|----------------|-------------------|-----------------|------------------|
| Expected loss rate | 0.5% | 1% | 3% | 5% | 10% | 25% | 50% | 100% |
| Trade receivables | 89 | 18 | 14 | 4 | 14 | 1 | - | 43 |
| Expected losses | 1 | - | - | - | 2 | - | - | 15 |
| Specific provisions released | - | - | - | - | - | - | - | 28 |
| Total ECL | 1 | - | - | - | 2 | - | - | 43 |

13 Cash and cash equivalents

| | 31 December 2022 £'000s | 31 December 2021 £'000s |
|--------------------------|----------------------------|----------------------------|
| Short-term bank deposits | 4,766 | 3,904 |

The short-term bank deposits have a maturity of 30 days or less.

Notes to the Financial Statements (continued)

14 Trade and other payables

| | 31 December 2022 | 31 December 2021 |
|---|-------------------------|-------------------------|
| | £'000s | £'000s |
| Amounts owed to parent company ¹ | 533 | 390 |
| Other taxation and social security | 295 | 35 |
| Accruals | 156 | 204 |
| Trade creditors | - | 8 |
| Contract liabilities ² | 796 | 612 |
| | 1,780 | 1,249 |

1 Amounts owed to Group companies are unsecured, non-interest bearing and payable on demand.

2 The contract liabilities balance as at 31 December 2022 includes £516k (2021: £419k) of deferred revenue relating to admission and application fees to be released over a 9 year period, and £279k (2021: £193k) relating to annual fees (from issuers, market data clients and corporate advisers) to be released in the subsequent 12 months.

15 Called-up Share Capital

| | 31 December 2022 | 31 December 2021 |
|---|-------------------------|-------------------------|
| | £'000s | £'000s |
| Issued and fully paid | | |
| 407,154,102 (2021: 399,154,102) Ordinary shares of 10p each | 40,715 | 39,915 |
| Issue of 8,000,000 shares of 10p each | - | 800 |
| Balance at the end of period | 40,715 | 40,715 |

On 11 March 2020, Aquis Exchange PLC purchased 100% of the share capital of NEX Exchange Limited (now Aquis Stock Exchange Limited) for a consideration of £1 plus the current working capital held at the transaction date, which amounted to £2.9m in total.

16 Other reserves

| | Year ended 31 December 2022 | Year ended 31 December 2021 |
|---|--|--|
| | £'000s | £'000s |
| Balance at beginning of period | 1,500 | 1,900 |
| Reclassification to called up share capital | - | (400) |
| Balance at end of period | 1,500 | 1,500 |

In year ended December 2020, the board of Aquis Exchange PLC approved a capital contribution into AQSE of £400k. The funds were cleared on 29 January 2021, as such the amount was recognised as a receivable in AQSE's balance sheet as at 31 December 2020. For the year ended 31 December 2021 this was reallocated to Called-up Share Capital.

17 Immediate parent and ultimate parent

As at 31 December 2022, the Company's immediate and ultimate parent is Aquis Exchange PLC, which prepares consolidated financial statements that are publicly available on the Aquis Exchange PLC website.

Notes to the Financial Statements (continued)

18 Post balance sheet events

On 10 March 2023 Silicon Valley Bank (SVB) had its assets assumed by the Federal Deposit Insurance Corporation (FDIC) as it became unable to fulfil consumer withdrawals and SVB (UK) was bought by HSBC. Whilst this led to widespread unrest in financial markets, which was further compounded by the announcement that Credit Suisse had secured a SFr50bn liquidity backstop from the Swiss central bank on 16 March 2023 and then subsequently been acquired by UBS on 19 March 2023.

Whilst these events have quietened capital markets, the Directors do not believe this has had or will have a material adverse effect on the entity and this is considered a non-adjusting post balance sheet event.