

**BNKPRO LTD**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**BNKPRO LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	Colin Brereton (Chairman) Marios Demetriades Eduardo Gavotti Denis Sukhotin
<b>Registered number</b>	06766829
<b>Registered office</b>	13/14 Basinghall Street London United Kingdom EC2V 5BQ
<b>Independent auditors</b>	Sumer Auditco Limited Chartered Accountants & Statutory Auditors 14th Floor 33 Cavendish Square London United Kingdom W1G 0PW

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**BNKPRO LTD**

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Introduction**

The Directors present their strategic report for BNKPro Ltd (the "Company") for the year ended 31 December 2023.

The Company is authorised by the Financial Conduct Authority ("FCA") as an Electronic Money Institution under the Electronic Money Regulations 2011 with reference number 900870.

**Developments in the year**

Over the past few years, the company has been trading on a trial basis with its new product offering. Originally planned for 2023, the launch was delayed partly due to the pandemic and subsequently due to wider economic challenges.

**Business review**

The electronic money business incurred losses in the year of £2,095,040 (2022: £1,211,094). Despite the loss making position, an injection of share capital has ensured that the Company maintains a strong balance sheet position, with net assets of £2,397,680 (2022: £1,992,720).

**Financial key performance indicators**

When the new product is officially launched the Company's Key Performance Indicators ("KPIs"), with which management will monitor the business and its performance will be, among others, the number of new clients, average amount of deposit, average amount of credit card usage and the overall profitability.

**Principal risks and uncertainties**

The Company's activities, as outlined above, expose it to a variety of risks as noted below:

**Operational and systems risk**

This is a risk that derives from possible deficiencies relating to the Company's information technology and systems' control, as well as the risks of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously. Separation of power and authority regarding vital functions of the Company exists and the Board reviews any decisions made by management and monitors their activities.

**Compliance risk**

This is the risk of financial loss, including fines and other penalties, which may arise from non-compliance with laws and regulations. The Company is authorised and regulated by the FCA. Any changes in the regulatory framework and directives relating to the Company's services and operations could expose the Company to considerable risk. This risk is limited to a significant extent due to the supervision applied by the Compliance function, the use of external compliance and regulatory advisors, as well as by the monitoring controls applied by the Company.

**Reputation risk**

This is the risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether justified or unjustified) that may result in a reduction of its clientele, reduction in revenue and legal claims against the Company. Given the start-up nature of its operations the risk is considered very low.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Foreign currency risk**

The Company undertakes transactions denominated in foreign currencies and consequently exposes itself to exchange rate fluctuations. Management monitors the exchange rate fluctuations and acts accordingly to minimise risk.

**Liquidity and cashflow risk**

Liquidity risk is the risk of not having sufficient cash supplies to meet its operational needs. Management is prudent when managing cashflow and the Company is financially supported by its parent undertaking.

**Credit risk**

Credit risk is the risk of loss that the Company would incur if the counterparty in a transaction failed to perform its contractual obligations. For banks and financial institutions, only parties who management have assessed as financially stable and healthy are accepted. The credit risk in respect of customers is deemed to be immaterial.

This report was approved by the board on 2 April 2024 and signed on its behalf.

**Colin Brereton (Chairman)**  
Director

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Directors present their report and the financial statements for the year ended 31 December 2023.

**Directors' responsibilities statement**

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements, in accordance with applicable law.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the UK, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Principal activity**

The principal activity of the Company in the year under review was that of an electronic money institution.

**Directors**

The Directors who served during the year were:

Colin Brereton  
Pavlos Argyrou (resigned 11 April 2023)  
Marios Demetriades  
Eduardo Gavotti  
Denis Sukhotin

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Disclosure of information to auditors**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

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

**Auditors**

The auditors, Sumer Auditco Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 2 April 2024 and signed on its behalf.

**Eduardo Gavotti**

Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BNKPRO LTD**

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**Opinion**

We have audited the financial statements of BNKPro Ltd for the year ended 31 December 2023 which comprise the Statement of Profit or Loss, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies set out on pages 14 - 18. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the United Kingdom; 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 auditors' 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 United Kingdom, including the Financial Reporting Council'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. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

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 auditors' 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.



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BNKPRO LTD (CONTINUED)**

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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.

**Opinion 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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 on page 3, 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BNKPRO LTD (CONTINUED)

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**Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the Company including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law, tax and pension legislation, and the Financial Conduct Authority;
- the timing of the recognition of commercial income;
- the recoverability of debtors; and
- the requirement to impair intangible assets and the amount of any such impairment.

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations and discussion with the same regarding known or suspected instances of non-compliance;
- enquiries with the same concerning any actual or potential litigation or claims;
- assessment of matters reported to management and the result of the subsequent investigation;
- review documentation relating to compliance with the regulations relating to the Financial Conduct Authority;
- obtaining an understanding of the policies and controls over the recognition of income and testing their implementation during the

year;

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BNKPRO LTD (CONTINUED)

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- assessing the recoverability of debtors since the the balance sheet date and challenging assumptions;
- challenging key assumptions made by management in their assessment of any impairment to the carrying value of intangible assets;
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to amortisation of intangible fixed assets;
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
- reviewing the minutes of Board meetings and correspondence with HMRC;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash; and
- evaluating the underlying business reasons for any unusual transactions.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

David Pumfrey FCA (Senior Statutory Auditor)

for and on behalf of  
**Sumer Auditco Limited**

Chartered Accountants  
Statutory Auditors

14th Floor  
33 Cavendish Square  
London  
United Kingdom  
W1G 0PW

2 April 2024

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**BNKPRO LTD**

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**STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Revenue</b>	19,781	19,077
Cost of sales	(1,054,743)	(802,238)
	<hr/>	<hr/>
<b>Gross loss</b>	(1,034,962)	(783,161)
Administrative expenses	(1,060,078)	(427,112)
	<hr/>	<hr/>
<b>Loss from operations</b>	(2,095,040)	(1,210,273)
Finance expense	-	(821)
	<hr/>	<hr/>
<b>Loss before tax</b>	(2,095,040)	(1,211,094)
	<hr/>	<hr/>
<b>Loss for the year</b>	<u>(2,095,040)</u>	<u>(1,211,094)</u>

The notes on pages 14 to 23 form part of these financial statements.

There was no other comprehensive income for 2022 or 2023.

**BNKPRO LTD**  
**REGISTERED NUMBER: 06766829**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	8	7,680	19,200
		<u>7,680</u>	<u>19,200</u>
<b>Current assets</b>			
Trade and other receivables	9	1,881,613	1,068,968
Cash and cash equivalents	14	1,087,590	1,937,954
		<u>2,969,203</u>	<u>3,006,922</u>
<b>Total assets</b>		<u>2,976,883</u>	<u>3,026,122</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Current liabilities</b>			
Trade and other liabilities	10	579,203	1,033,402
<b>Total liabilities</b>		<u>579,203</u>	<u>1,033,402</u>
<b>Net assets</b>		<u>2,397,680</u>	<u>1,992,720</u>
<b>Issued capital and reserves</b>			
Share capital	11	5,220,719	2,720,719
Share premium reserve		999,900	999,900
Retained earnings		(3,822,939)	(1,727,899)
<b>TOTAL EQUITY</b>		<u>2,397,680</u>	<u>1,992,720</u>

The financial statements on pages 9 to 23 were approved and authorised for issue by the board of Directors on 2 April 2024 and were signed on its behalf by:

**Eduardo Gavotti**  
Director

The notes on pages 14 to 23 form part of these financial statements.

BNKPRO LTD

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital £	Share premium £	Retained earnings £	Total equity £
<b>At 1 January 2023</b>	2,720,719	999,900	(1,727,899)	1,992,720
Loss for the year	-	-	(2,095,040)	(2,095,040)
<b>Total comprehensive income for the year</b>	-	-	(2,095,040)	(2,095,040)
Issue of share capital	2,500,000	-	-	2,500,000
<b>Total contributions by owners</b>	2,500,000	-	-	2,500,000
<b>At 31 December 2023</b>	<u>5,220,719</u>	<u>999,900</u>	<u>(3,822,939)</u>	<u>2,397,680</u>

The notes on pages 14 to 23 form part of these financial statements.

	Share capital £	Share premium £	Retained earnings £	Total equity £
<b>At 1 January 2022</b>	220,719	999,900	(516,805)	703,814
Loss for the year	-	-	(1,211,094)	(1,211,094)
<b>Total comprehensive income for the year</b>	-	-	(1,211,094)	(1,211,094)
Issue of share capital	2,500,000	-	-	2,500,000
<b>Total contributions by owners</b>	2,500,000	-	-	2,500,000
<b>At 31 December 2022</b>	<u>2,720,719</u>	<u>999,900</u>	<u>(1,727,899)</u>	<u>1,992,720</u>

The notes on pages 14 to 23 form part of these financial statements.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Loss for the year		(2,095,040)	(1,211,094)
<b>Adjustments for</b>			
Amortisation of intangible fixed assets	8	11,520	38,400
		(2,083,520)	(1,172,694)
<b>Movements in working capital:</b>			
(Increase)/decrease in trade and other receivables		(137,645)	194,522
Decrease in trade and other payables		(454,199)	(91,143)
<b>Cash generated from operations</b>		(2,675,364)	(1,069,315)
<b>Net cash used in operating activities</b>		(2,675,364)	(1,069,315)
Issue of ordinary shares		1,825,000	1,500,000
<b>Net cash from financing activities</b>		1,825,000	1,500,000
<b>Net (decrease)/increase in cash and cash equivalents</b>		(850,364)	430,685
Cash and cash equivalents at the beginning of year		1,937,954	1,507,269
<b>Cash and cash equivalents at the end of the year</b>	14	<u>1,087,590</u>	<u>1,937,954</u>

The notes on pages 14 to 23 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1. Reporting entity**

BNKPro Ltd (the 'Company') is a limited company incorporated in England and Wales. The Company's registered office is at 13/14 Basinghall Street, London, EC2V 5BQ. The Company's principal activity is that of an electronic money institution.

**2. Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations as adopted by the UK (collectively IFRSs). They were authorised for issue by the Company's board of directors on 02 April 2024.

Details of the Company's accounting policies, including changes during the year, are included in note 3.

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgments and estimates have been made in preparing the financial statements and their effects are disclosed in note 5.

**2.1 Basis of measurement**

The financial statements have been prepared on the historical cost basis.

**2.2 Changes in accounting policies**

**i) New standards, interpretations and amendments effective from 1 January 2023**

There were no new and/or amended Standards applied for the first time in the financial period which would have any material impact on the financial statements.

**ii) New standards, interpretations and amendments not yet effective**

The directors anticipate that the adoption of other Standards and interpretations that are not yet effective in future periods will only have an impact on the presentation in the financial statements of the Company.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**3. Accounting policies**

**3.1 Going concern**

The Directors are of the opinion that the company will continue as a going concern for at least 12 months from the date of approval of the financial statements. This basis is considered appropriate as the company's ultimate parent company has indicated that it will continue to provide financial support.

**3.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Subscription fees**

Subscription fee income represents monthly subscription fees from customers.

**Foreign exchange income**

Foreign exchange income represents mark ups on market exchange rates, recognised at the point of exchange.

**Interchange fees**

Interchange fees represent card transactional related income receivable from the group's card issuing partners and recognised at the time of the transaction.

**Transfers and top up fees**

Transfer and top up fees represent charges to customers upon the transfer of funds to and from their personal accounts, recognised at the time of the transaction.

**Issuance Fees**

Issuance fees represent charges to customers upon receiving their physical debit card, recognised at the point the ownership of the card transfers to the customer.

**ATM Fees**

ATM fees represent charges to customers for the withdrawal of physical cash from ATM machines, recognised at the time of the transaction.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**3. Accounting policies (continued)****3.3 Foreign currency**

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting these financial statements, the assets and liabilities of the Company's foreign operations are translated into pounds using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

**3.4 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit or Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**3.5 Plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is provided on all other items of plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following range:

Office equipment

3 years straight line

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**3. Accounting policies (continued)****3.6 Intangible assets****Software infrastructure**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The directors have determined that the intangible asset will be amortised over 5 years, that being the length of the contract.

**3.7 Financial instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**3.8 Financial assets****Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables, including trade and other receivables, bank balances and cash, and others are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

**3.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Cash and cash equivalents include £472,022 (2022: £828,708) held on behalf of clients. Client funds are held in segregated accounts with authorized credit institutions as part of the Company's safeguarding policy.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

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3. Accounting policies (continued)

3.10 Financial liabilities and equity instruments

**Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

*Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'fair value gains/losses' line item.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of the liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**3. Accounting policies (continued)**

**3.10 Financial liabilities and equity instruments (continued)**

**Financial liabilities (continued)**

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

*Other financial liabilities*

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, 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.

**3.11 Customer liabilities**

E-Money in issue. The group recognizes a liability upon the issue of electronic money to its customers equal to the amount of electronic money that has been issued.

**4. Functional and presentation currency**

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.

**5. Accounting estimates and judgments**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent 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.

**6. Auditors' remuneration**

During the year, the Company obtained the following services from the Company's auditors:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	10,400	9,900

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**7. Employee benefit expenses**

The average monthly number of employees, including Directors, during the year was 12 (2022 - 5).

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Employee benefit expenses (including Directors) comprise:</b>		
Wages and salaries	783,477	236,163
National insurance	91,566	29,274
Short-term non-monetary benefits	8,219	-
Defined contribution pension cost	22,325	8,382
	<u>905,587</u>	<u>273,819</u>

**Directors compensation**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Director emoluments	<u>171,000</u>	<u>148,333</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. Intangible assets**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 January 2022	57,600
	<hr/>
<b>At 31 December 2022</b>	57,600
	<hr/>
<b>At 31 December 2023</b>	<u>57,600</u>
	<b>Computer software £</b>
<b>Accumulated amortisation and impairment</b>	
Charge for the year - owned	38,400
	<hr/>
<b>At 31 December 2022</b>	38,400
Charge for the year - owned	11,520
	<hr/>
<b>At 31 December 2023</b>	<u>49,920</u>
<b>Net book value</b>	
At 1 January 2022	57,600
At 31 December 2022	19,200
<b>At 31 December 2023</b>	<u>7,680</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**9. Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade receivables	154	2,813
Receivables from related parties	133,038	-
Prepayments and accrued income	71,947	66,155
Unpaid share capital	1,675,000	1,000,000
Other receivables	1,474	-
<b>Total trade and other receivables</b>	<b>1,881,613</b>	<b>1,068,968</b>

The carrying value of trade and other receivables classified as loans and other receivables approximates fair value.

**10. Trade and other payables**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade payables	59,677	51,525
Payables to related parties	-	97,092
Other payables	3,451	5,820
Accruals	44,053	50,257
E-Money in issue	472,022	828,708
<b>Total trade and other payables</b>	<b>579,203</b>	<b>1,033,402</b>

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

The e-money in issue corresponds to the restricted cash held at bank in respect of customers (Note 14).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**11. Share capital****Authorised**

	<b>2023 Number</b>	<b>2023 £</b>	<b>2022 Number</b>	<b>2022 £</b>
<b>Shares treated as equity</b>				
Ordinary shares of £1.00 each	5,000,200	5,000,200	2,500,200	2,500,200
Preference shares shares of £1.00 each	220,519	220,519	220,519	220,519
	<u>5,220,719</u>	<u>5,220,719</u>	<u>2,720,719</u>	<u>2,720,719</u>

**Issued and fully paid**

	<b>2023 Number</b>	<b>2023 £</b>	<b>2022 Number</b>	<b>2022 £</b>
<b>Ordinary shares of £1.00 each</b>				
At 1 January	2,500,200	2,500,200	200	200
Shares issued	2,500,000	2,500,000	2,500,000	2,500,000
<b>At 31 December</b>	<u>5,000,200</u>	<u>5,000,200</u>	<u>2,500,200</u>	<u>2,500,200</u>
	<b>2023 Number</b>	<b>2023 £</b>	<b>2022 Number</b>	<b>2022 £</b>
<b>Preference shares shares of £1.00 each</b>				
At 1 January and 31 December	<u>220,519</u>	<u>220,519</u>	<u>220,519</u>	<u>220,519</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**12. Related party transactions****12.1 Transactions with group undertakings**

The following balances were outstanding at the end of the reporting period:

	<b>Amounts owed by related parties</b>		<b>Amounts owed to related parties</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
FXPro Group Limited (immediate and ultimate parent company)	1,675,000	-	-	-
Hermex Holdings Limited (former parent company)	-	1,000,000	-	97,092
BNKPro Europe Limited (fellow subsidiary undertaking)	133,038	-	-	-
	<u>1,808,038</u>	<u>1,000,000</u>	<u>-</u>	<u>97,092</u>

**13. Controlling party**

The company's immediate and ultimate parent undertaking is FXPro Group Limited. Hermex Holdings Limited was the company's immediate parent undertaking until the 1 June 2023 upon which 100% of the Company's share capital was transferred to FXPro Group Limited. The Company is ultimately controlled by a number of individuals, none of whom have a controlling interest.

**14. Notes supporting statement of cash flows**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash at bank available on demand	615,568	1,109,246
Restricted cash held at bank in respect of customers (Note 10)	472,022	828,708
<b>Cash and cash equivalents in the statement of financial position</b>	<u><b>1,087,590</b></u>	<u><b>1,937,954</b></u>

Cash at bank available on demand represent the Company's own funds held for liquidity requirements.

Restricted cash held in respect of customers represents safeguarded funds related to the Company's regulated E-money services. Client funds are held in segregated accounts as part of the Company's safeguarding policy.



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