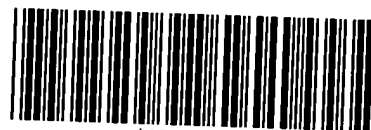

ALCHEMY PRIME LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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ALCHEMY PRIME LIMITED

COMPANY INFORMATION

Directors	Patrick Cann Fei Yan (resigned 1 August 2021) Nicky Gope Kundnani (appointed 8 August 2021)
Registered number	08698974
Registered office	Unit 8 74 Back Church Lane London England E1 1LX
Independent auditors	Hillier Hopkins LLP Chartered Accountants & Statutory Auditor Radius House 51 Clarendon Road Watford Hertfordshire WD17 1HP

ALCHEMY PRIME LIMITED

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ALCHEMY PRIME LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

Introduction

The directors present their strategic report for the year ended 30 June 2022.

The principal activity of the Company continues to be that of providing a website to facilitate FX & CFD trading. The Company is authorised and regulated by the Financial Conduct Authority (FCA).

The strategic objectives of the Company include the expansion of the business, and having absorbed the first year of expenses involved in taking on the expanded permissions granted 22 June, 2018, for a company not actively trading, we are looking to increase the profitability of the Company and Group as a whole and facilitate improvements in efficiencies of trading.

Business review

The directors are pleased with the performance and position of the Company for the year. The loss during the year was due to restructuring costs incurred in order to realise opportunities in relation to offering CFD's and moving into regulated equity markets, historical liquidity and other debtor write off's and as a result in adverse exchange rate movements. The environment going forward appears positive and volatility is a key driver for revenue growth. The Company will continue to work hard to drive revenue from trading activities.

Going concern

The Directors have undertaken an assessment of whether the Company was a going concern when the accounts were prepared, considering all available information about the future including the current economic climate, covering a period of 12 months from the date of the approval of the accounts. Following this review, the Directors believe that the preparation of these financial statements on a going concern basis is appropriate

ALCHEMY PRIME LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

Principal risks and uncertainties

Exchange rate risk

The Company trades across the World, and primarily accepts deposits in 3 currencies, GBP, EUR, and USD. This limits the exposure to currency movements as we currently hold the funds in bank accounts in those specific the currencies that our clients place with us. We do hold some alternative minority bank accounts to enable receipt of deposits in other currencies from these 3.

Settlement risk

The Company is exposed to the risk that Professional Clients and Eligible Counterparties that use our services will not settle their trades in a timely fashion if they end up in negative in their account, consequently the Company is careful about with whom it sets up arrangements in order to mitigate these risks. We rely on our in-depth client research to assist with the assessment of the risk to the business.

Technology

The company is exposed to technology and latency risk, but this is in a constant re-assessment and is mitigated with the use of the latest technology and a strong direction of the company, so an assessment of technology focuses on whether it does the job in the fashion that we wanted. All new technology is thoroughly tested both by the company and any key clients that may come into contact with it to see that it meets the requirements. We continue to have a dedicated Director of Operations to see that IT continues to function in an appropriate and timely manner, but to also increase the functionality. We are using technology to try and develop new markets, with direct to customer electronic customer facing items.

Business Risk

Business risk is defined as the potential loss (or inability to realise planned revenues) arising from the inability to properly implement strategic plans. The shareholder is willing and able to commit further injections of capital if required. Ongoing accounts are compiled quarterly to highlight any potential issues and to meet FCA regulatory requirements. The overarching group strategy is to diversify our interests, and we are kept up to date with ongoing or new potential regulatory issues by subscribing to FCA daily notices. Furthermore, with taking the accounting function in house for 2022-2023 we will then have a continual overview and be able to compile figures on a monthly basis

Conduct Risk

Conduct risk covers anything the firm might engage in that could cause problems with the regulator resulting from dealings with customers, staff, consumer protection, market integrity or competition. To deal with any issues as speedily as possible we have our own on-site Compliance Officer and MLRO and have now worked with our new firm of external compliance consultants since August 2019 on retainer, following the assessment of the previous service provider. We also have Best Execution policies, a 4 eyes approach to as many processes as is practical, and a Financial Crime policy covering items such as Onboarding, Fraud and AML. KYC has been automated in our first third party provider relationship. Staff are encouraged to take external examinations in these subjects and we have a further set of internal courses and examinations that are taken each year by all staff, provided by Compliancy, to ensure that staff knowledge remains up to date as there are limited external CPD opportunities.

Credit Risk & Counterparty Credit Risk

Credit risk is the risk arising from an event that causes an asset (including off-balance sheet transactions) to lose value or become worthless. We are continually seeking to diversify our deposits at bank in order to lessen the exposure to each counterparty. We also deal with LPs who we take up investigations about their financial stability, which has been reviewed each quarter in our COREP. This will be replaced with new reporting standards from the FCA in 2022-2023. Client Money is segregated from our own funds and where the clients qualify, they can access further protection through the FSCS provisions. LPs prefer to do business with us on a TTCA basis, so we become creditors of theirs should they fail.

Liquidity Risk

The risk of mismanagement of liquidity positions or inability to ensure that cash outflows are matched by inflows. There are no long-term debts held by the company and the business model allows for most revenues to be

ALCHEMY PRIME LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022**

converted to cash in a short time. No long term receivables.

Market Risk

Market Risk is the risk of financial loss as a result of adverse market movements of market variables such as foreign exchange rates, interest rates, equity prices and commodity prices, thereby affecting the value of a financial instrument or portfolio. There are currently no assets or liabilities on the balance sheet with significant exposure to interest rate, and there is a use of hedging for significant balances or transactions but no exposure to any equity positions.

People Risk

The risks from employment and contractual issues including failure to recruit the right staff with appropriate skills/ability. It also includes remuneration and succession planning. Recruitment is an ongoing commitment, with an emphasis on finding the right staff for the roles as they become more clearly defined. Staff are encouraged to take external examinations in related subjects. Whilst actively growing, we are still a small firm in terms of employees, but because of that are able to deal with items speedily.

Operational Risk

Operational Risk is the risk of loss as a result of inadequate or failed internal processes, people, systems, and/or external events across all areas, activities and operations of the firm. Processes are discussed in an open forum at least once a week by the parties involved to resolve any failings in the systems and build upon any successes. Staff are being recruited to ensure that this becomes even more readily changeable. Meetings are held with outside service providers to ensure that we stay up to speed with technological changes and can then be put forward for adoption if they show an advantage in making systems even more secure.

Regulatory Risk

Adverse impact resulting from failure to comply with changes in the law, financial accounting procedures or the rules mandated by the regulatory authorities. This is dealt with through our compliance consultants keeping us abreast of changes and strategies that we must adopt to deal with items.

Financial key performance indicators

The directors consider that our key performance indicators are those that communicate the financial performance and strength of the Company as a whole.

	2022	2021
Turnover	£5,259,089	£4,313,484
Net profit/(loss) before tax	£374,925	(£233,836)

ALCHEMY PRIME LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022**

Directors' statement of compliance with duty to promote the success of the Company

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 and include a duty to promote the success of the Company, which is summarised below.

The Directors meet regularly to discuss their duties and they can access professional advice on these through external parties or an independent provider. The Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Company.

The Board recognises that such delegation needs to extend beyond more than simple financial authorities, and therefore set out below we have summarised how the Directors fulfil their on-going operational duties:

Our People

The company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, shareholders, communities and society as a whole. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must maintain common values that inform and guide our behaviour so we achieve our goals in the right way.

Business relationships

Our strategy prioritises organic growth. To achieve this we need to develop and maintain strong client relationships. We value all our clients and endeavour to act with integrity at all times. In line with our business culture we value our suppliers and endeavour to act with integrity at all times.

Community and environment

The Company's approach is to use our position of strength to create positive change for the people and communities with which we interact.

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

DocuSigned by:

Patrick Cann

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Patrick Cann

Director

Date: 06-03-2023 | 03:30 PST

ALCHEMY PRIME LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2022

The directors present their report and the financial statements for the year ended 30 June 2022.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £303,345 (2021 - loss £198,351).

No dividends were proposed or paid for the year (2021 - £nil)

Directors

The directors who served during the year were:

Patrick Cann
Fei Yan (resigned 1 August 2021)
Nicky Gope Kundnani (appointed 8 August 2021)

Future developments

The Company intends to continue acting as provider of trading in FX derivatives & CFDs and related items and to continue to look for opportunities to further enhance trading methodologies and increase revenue. The firm is developing an app to service direct equity trading on NYSE, NASDAQ, LSE, ASX.

ALCHEMY PRIME LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022**

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 director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has 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.

Post balance sheet events

There have been no significant events affecting the Company since the year end other than those as detailed in the strategic report.

Auditors

The auditors, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:

Patrick Cann

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Patrick Cann
Director

Date: 06-03-2023 | 03:30 PST

ALCHEMY PRIME LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALCHEMY PRIME LIMITED

Opinion

We have audited the financial statements of Alchemy Prime Limited (the 'Company') for the year ended 30 June 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 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 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.

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.

ALCHEMY PRIME LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALCHEMY PRIME LIMITED (CONTINUED)

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. 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 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.

ALCHEMY PRIME LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALCHEMY PRIME LIMITED (CONTINUED)

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:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations, including FCA compliance and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Financial Conduct Authority regulations and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

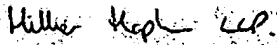
ALCHEMY PRIME LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALCHEMY PRIME LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

DocuSigned by:


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Neil Cundale BSc FCA (Senior statutory auditor)

for and on behalf of
Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: 06-03-2023 | 14:57 GMT

ALCHEMY PRIME LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 £	2021 £
Turnover	4	5,259,089	4,313,484
Cost of sales		(2,764,571)	(2,885,783)
Gross profit		2,494,518	1,427,701
Administrative expenses		(2,128,555)	(1,664,613)
Operating profit/(loss)	5	365,963	(236,912)
Interest receivable and similar income	9	8,962	3,076
Profit/(loss) before tax		374,925	(233,836)
Tax on profit/(loss)	10	(71,580)	35,485
Profit/(loss) for the financial year		303,345	(198,351)

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 16 to 28 form part of these financial statements.

ALCHEMY PRIME LIMITED
REGISTERED NUMBER: 08698974

BALANCE SHEET
AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	17,544	32,130
Current assets			
Debtors: amounts falling due within one year	12	10,664,039	8,948,242
Current asset investments	13	82,250	83,360
Cash at bank and in hand	14	3,864,146	5,366,177
		<u>14,610,435</u>	<u>14,397,779</u>
Creditors: amounts falling due within one year	15	(13,502,169)	(13,615,220)
Net current assets		1,108,266	782,559
Provisions for liabilities			
Deferred tax	17	(7,776)	-
Net assets		1,118,034	814,689
Capital and reserves			
Called up share capital	18	1,100,000	1,100,000
Profit and loss account	19	18,034	(285,311)
		<u>1,118,034</u>	<u>814,689</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

Patrick Cann

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Patrick Cann
Director

Date: 06-03-2023 | 03:30 PST

The notes on pages 16 to 28 form part of these financial statements.

ALCHEMY PRIME LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2020	1,100,000	(86,960)	1,013,040
Comprehensive income for the year			
Loss for the year	-	(198,351)	(198,351)
At 1 July 2021	1,100,000	(285,311)	814,689
Comprehensive income for the year			
Profit for the year	-	303,345	303,345
At 30 June 2022	1,100,000	18,034	1,118,034

The notes on pages 16 to 28 form part of these financial statements.

ALCHEMY PRIME LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit/(loss) for the financial year	303,345	(198,351)
Adjustments for:		
Depreciation of tangible assets	15,780	15,780
Interest received	(8,962)	(3,076)
Taxation charge	71,580	(35,485)
(Increase) in debtors	(1,765,018)	(3,551,131)
(Increase)/decrease in amounts owed by groups	(14,584)	26,964
(Decrease)/increase in creditors	(111,940)	4,985,373
Net cash generated from operating activities	<u>(1,509,799)</u>	<u>1,240,074</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,194)	-
Interest received	8,962	3,076
Net cash from investing activities	<u>7,768</u>	<u>3,076</u>
Net (decrease)/increase in cash and cash equivalents	<u>(1,502,031)</u>	<u>1,243,150</u>
Cash and cash equivalents at beginning of year	5,366,177	4,123,027
Cash and cash equivalents at the end of year	<u><u>3,864,146</u></u>	<u><u>5,366,177</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,864,146	5,366,177
	<u><u>3,864,146</u></u>	<u><u>5,366,177</u></u>

The notes on pages 16 to 28 form part of these financial statements.

ALCHEMY PRIME LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 JUNE 2022**

	At 1 July 2021 £	Cash flows £	At 30 June 2022 £
Cash at bank and in hand	5,366,177	(1,502,031)	3,864,146

The notes on pages 16 to 28 form part of these financial statements.

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1. General information

The company is a private Company limited by shares, registered in England and Wales. The address of the registered office and the Company's principal place of business is Unit 8, Church Lane, London, England, E1 1LX.

The principal activity of the Company continues to be that of providing a website to facilitate CFD trading.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Directors have undertaken an assessment of whether the Company was a going concern when the accounts were prepared, considering all available information about the future including the current economic conditions, covering a period of 12 months from the date of the approval of the accounts. Following this review, the Directors believe that the preparation of these financial statements on a going concern basis is appropriate.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Revenue

Turnover represents the difference between the total value of profitable trades and the total value of loss making trades (including open market positions and net brokerage costs or gains to hedge), plus commissions, fees or rebates earned and interest receivable on client's money by the company during the year.

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

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

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	20%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 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 equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.12 Creditors

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

ALCHEMY PRIME LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

2. Accounting policies (continued)

2.15 Client bank accounts

The company operates designated client bank accounts in accordance with the Client Money regulations of the Financial Conduct Authority (FCA). These accounts do not represent funds of the company and so the deposits are not recognised in the company's statement of financial position.

As of the balance sheet date, the company held client funds of £2,123,606 (2021: £1,157,073).

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In this regard, the Directors believe that the critical accounting policies where judgments or estimations are necessarily applied are summarised below:

Valuation of open positions

The open positions as at the year end are calculated based on the amount deposited and withdrawn during the year, amended for any foreign exchange movements and converted to GBP for the year end exchange rate.

Deferred tax

Deferred tax assets are raised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Assessment of future taxable profit is performed at every reporting date, in the form of future cash flows using a suitable growth rate.

Current asset investments

Current asset investments in unlisted shares valued are at fair value with changes recognised in the Statement of comprehensive income using recent share purchase information.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
CFD trading and broking activities	<u>5,259,089</u>	<u>4,313,484</u>

All turnover is generated in the United Kingdom, but the Company's clients are based worldwide.

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2022 £	2021 £
Exchange differences	(265,759)	191,970
Other operating lease rentals	2,331	62,412
	<u>2,331</u>	<u>62,412</u>

6. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	9,750	6,000
	<u>9,750</u>	<u>6,000</u>

Fees payable to the Company's auditor and its associates in respect of:

Audit-related assurance services	12,750	5,000
All other services	2,500	3,750
	<u>15,250</u>	<u>8,750</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	266,340	184,925
Social security costs	23,015	14,543
Cost of defined contribution scheme	8,306	1,200
	<u>297,661</u>	<u>200,668</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Employees	12	8
	<u>12</u>	<u>8</u>

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

8. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	52,692	51,645

9. Interest receivable

	2022	2021
	£	£
Other interest receivable	8,962	3,076

10. Taxation

	2022	2021
	£	£
Deferred tax		
Origination and reversal of timing differences	71,580	(35,485)
Taxation on profit/(loss) on ordinary activities	71,580	(35,485)

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	<u>374,925</u>	<u>(233,836)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	71,236	(44,429)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(205)	-
Capital allowances for year in excess of depreciation	2,998	8,944
Utilisation of tax losses	(74,158)	-
Changes in provisions leading to an increase (decrease) in the tax charge	129	-
Other differences leading to an increase (decrease) in the tax charge	71,580	-
Total tax charge for the year	<u><u>71,580</u></u>	<u><u>(35,485)</u></u>

Factors that may affect future tax charges

The company has £60,957 (2021 - £451,263) of carried forward tax losses which can be offset against trading and non trading profits made by the Company. These have been recognised as a deferred tax asset.

Legislation will be introduced in Finance Bill 2021 to set the charge to Corporation Tax and set the main rate of Corporation Tax for all non-ring fence profits to 19% for Financial Year 2022 and to set the charge to Corporation Tax and set the main rate at 25% for Financial Year 2023. Legislation will also introduce a small profits rate and will set this at 19%.

The small profits rate will apply to profits below the lower limit of £50,000 and profits exceeding the upper limit of £250,000 will be charged at the main rate. The thresholds that apply for determining whether a company is chargeable at the small ring fence profits rate at s279E Corporation Tax Act 2010 will be aligned with these limits.

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

11. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 July 2021	78,901
Additions	1,194
At 30 June 2022	<u>80,095</u>
Depreciation	
At 1 July 2021	46,771
Charge for the year on owned assets	15,780
At 30 June 2022	<u>62,551</u>
Net book value	
At 30 June 2022	<u><u>17,544</u></u>
At 30 June 2021	<u><u>32,130</u></u>

12. Debtors

	2022 £	2021 £
Trade debtors	10,347,265	8,024,815
Amounts owed by group undertakings	280,752	266,168
Other debtors	36,022	593,455
Deferred taxation	-	63,804
	<u><u>10,664,039</u></u>	<u><u>8,948,242</u></u>

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

13. Current asset investments

	2022 £	2021 £
Unlisted investments	82,250	83,360

The valuation of unlisted investments as disclosed is made up of cost of £36 and fair value increases of £82,214.

A deferred tax liability totalling £15,621 has been recognised in respect of the fair value movements.

14. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	3,864,146	5,366,177

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors and TTCA client balances	11,306,218	12,946,603
Other taxation and social security	4,582	4,867
Other creditors	2,068,247	517,107
Accruals and deferred income	123,122	146,643
	13,502,169	13,615,220

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

16. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>10,375,148</u>	<u>8,108,175</u>
Financial liabilities		
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	<u>(10,029,096)</u>	<u>(12,946,603)</u>

Financial assets measured at fair value through profit or loss comprise of broker debtors, current asset investments and loans receivable.

Financial liabilities measured at fair value through profit and loss comprise of client creditor balances.

17. Deferred taxation

	2022 £
At beginning of year	63,804
Charged to profit or loss	(71,580)
At end of year	<u>(7,776)</u>

The deferred taxation balance is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(3,597)	(6,105)
Tax losses carried forward	12,496	85,741
Pension surplus	194	-
Deferred liability on fair value movement of current asset investments	(16,869)	(15,832)
	<u>(7,776)</u>	<u>63,804</u>

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

18. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
1,100,000 (2021 - 1,100,000) Ordinary shares of £1.00 each	1,100,000	1,100,000

19. Reserves**Profit and loss account**

The profit and loss account represents the cumulative total of retained profits and losses less dividends and other distributions as at the balance sheet date.

Within the profit and loss account is £66,382 which relates to the unrecognised fair value movement in respect of the current asset investment of £82,250 less the associated deferred tax liability of £15,621. This balance is non-distributable until such time as the asset is sold.

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £8,306 (2021 - £1,200). Contributions totalling £878 (2021 - £200) were payable to the fund at the balance sheet date and are included in creditors.

21. Commitments under operating leases

At 30 June 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£	£
Not later than 1 year	-	18,000

ALCHEMY PRIME LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

22. Related party transactions

Key management personnel remuneration for the year totalled £308,667 (2021: £231,645).

Transactions and balances during the period and as at 30 June 2022 with related parties are as follows:

	2022 £	2021 £
Amounts owed to companies owned by key management personnel	(1,592,965)	(313,000)
Amounts owed by companies owned by key management personnel	-	552,237
Amounts owed by group companies	268,847	266,168
Expenses relating to companies owned by key management personnel	(3,087,674)	(405,005)
Revenue generated by trading of companies owned by key management personnel	3,357,724	501,832
	<u>3,357,724</u>	<u>501,832</u>

23. Controlling party

The Company's immediate and ultimate parent undertaking is Alchemy Prime Holdings Limited, a company registered in England and Wales.

The ultimate controlling party is Mr G S Kundnani by virtue of his ownership of the share capital of Alchemy Prime Holdings.