

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 July 2021
for
House Of Borse Ltd

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for the Year Ended 31 July 2021

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House Of Borse Ltd

Company Information
for the Year Ended 31 July 2021

DIRECTORS:

M Alkahtani
W Ahmed
S Bajwa

REGISTERED OFFICE:

Berkeley Square House 2nd Floor
Berkeley Square
Mayfair
London
W1J 6BD

REGISTERED NUMBER:

09137156 (England and Wales)

INDEPENDENT AUDITORS:

Sawin & Edwards LLP Statutory Auditors
Studio 16
Cloisters House
8 Battersea Park Road
London
SW8 4BG

Strategic Report
for the Year Ended 31 July 2021

The directors present their strategic report for the year ended 31 July 2021.

House of Borse Limited ("HoB") is an FCA authorised matched principal intermediary for a range of investment types focusing on professional clients.

REVIEW OF BUSINESS

The key financial and other performance indicators during the year were as follows:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
	<u>£</u>	<u>£</u>	<u>%</u>
Turnover	593,951	803,026	- 26
Profit for the year after tax	14,839	76,772	- 81
Equity shareholders' funds	679,326	664,487	+ 2

Turnover consisted mainly of commission earned on foreign exchange trading by clients. The decrease in turnover when compared to last year confirms that the firm has performed well despite some very challenging market conditions. The management continues to monitor the situation and are confident that the company is well placed to further strengthen its position and that where required management will take all necessary steps to further improve firms performance.

The company recorded a profit of £14,829 during the year despite some very challenging conditions.

Equity shareholders' fund increased by 2% in the year. This increase was due to the profit amounting to £14,839 made in the year.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the company are from increased competition and regulatory requirements.

The company is also exposed to risk in a number of areas including primarily client dealings, funds held at liquidity provider and operational risks. The directors have identified ways in which risk can be monitored and mitigated in a cost effective way.

Strategic Report
for the Year Ended 31 July 2021

SECTION 172(1) STATEMENT

The company firmly believes in fair treatment of its employees, suppliers, and customers. The management take keen interest in ensuring that in all its procedures, policies, dealings, and decision making the due fairness and honesty toward all stakeholders is reflected and practiced.

In the year ended 31 July 2021, none of the management decisions discussed or made, had any specific consequences to the firm's employees.

House of Borse Limited is an FCA regulated firm and thoroughly follows its compliance requirements to ensure that the interest of firm's clients is always upheld to the standard expected and beyond. Likewise, we understand the importance of suppliers and how fairness to them is beneficial to all involved.

Although the firm's activities do not have any further implications for the community or the environment, as responsible members of society the directors are fully aware of their responsibilities in this regard.

ON BEHALF OF THE BOARD:

W Ahmed - Director

9 November 2021

Report of the Directors
for the Year Ended 31 July 2021

The directors present their report with the financial statements of the company for the year ended 31 July 2021.

DIVIDENDS

No dividends will be distributed for the year ended 31 July 2021.

FUTURE DEVELOPMENTS

The company has recorded unprecedented performances in the last quarter of year ended 31 July 2021 and post year end, with post covid revival of business activities. Client activity levels and the firm's performance indicators are all heading in the right direction. The firm's directors and management are confident that the firm is strongly placed to make use of opportunities that have been created through focus on improvements and competitiveness of the products on offer by the firm.

DIRECTORS

W Ahmed has held office during the whole of the period from 1 August 2020 to the date of this report.

Other changes in directors holding office are as follows:

M Alkahtani - appointed 24 February 2021

Z Mahmood - resigned 11 January 2021

S Bajwa was appointed as a director after 31 July 2021 but prior to the date of this report.

FINANCIAL INSTRUMENTS

See note 20 of the financial statements.

DIRECTORS' INDEMNITIES

The Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Sawin & Edwards LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar whichever is earlier.

ON BEHALF OF THE BOARD:

W Ahmed - Director

9 November 2021

Statement of Directors' Responsibilities
for the Year Ended 31 July 2021

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 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.

Report of the Independent Auditors to the Members of House Of Borse Ltd

Opinion

We have audited the financial statements of House Of Borse Ltd (the 'company') for the year ended 31 July 2021 which comprise the Profit and loss and Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 31 July 2021 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report, the Report of the Directors and the Statement of Directors' Responsibilities, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

**Report of the Independent Auditors to the Members of
House Of Borse Ltd**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 Report of the Directors.

We have nothing to report in respect of the following matters where 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 Statement of Directors' Responsibilities set out on page five, 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 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.

**Report of the Independent Auditors to the Members of
House Of Borse Ltd**

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 a Report of the Auditors 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:

Discussions were held with the directors with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, FCA regulations, Tax and Pensions legislation.
- It is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

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. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
House Of Borse Ltd**

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 a Report of the Auditors 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.

Witold Sawin (Senior Statutory Auditor)
for and on behalf of Sawin & Edwards LLP Statutory Auditors
Studio 16
Cloisters House
8 Battersea Park Road
London
SW8 4BG

9 November 2021

Profit and loss and Statement of Comprehensive Income
for the Year Ended 31 July 2021

	Notes	2021 £	2020 £
TURNOVER		599,164	803,026
Cost of sales		<u>(231,630)</u>	<u>(530,775)</u>
GROSS PROFIT		367,534	272,251
Administrative expenses		<u>(418,839)</u>	<u>(440,567)</u>
		(51,305)	(168,316)
Other operating income		<u>64,870</u>	-
OPERATING PROFIT/(LOSS)	5	13,565	(168,316)
Exceptional income	6	<u>-</u>	<u>250,000</u>
		13,565	81,684
Interest receivable and similar income		<u>-</u>	<u>235</u>
PROFIT BEFORE TAXATION		13,565	81,919
Tax on profit	7	<u>1,274</u>	<u>(5,147)</u>
PROFIT FOR THE FINANCIAL YEAR		14,839	76,772
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>14,839</u>	<u>76,772</u>

The notes form part of these financial statements

Balance Sheet
31 July 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	8	23,520	4,523
Tangible assets	9	<u>2,424</u>	<u>5,478</u>
		<u>25,944</u>	<u>10,001</u>
CURRENT ASSETS			
Debtors	10	1,826,948	693,889
Cash at bank		<u>628,115</u>	<u>532,862</u>
		2,455,063	1,226,751
CREDITORS			
Amounts falling due within one year	11	<u>(1,801,681)</u>	<u>(572,265)</u>
NET CURRENT ASSETS		<u>653,382</u>	<u>654,486</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>679,326</u>	<u>664,487</u>
CAPITAL AND RESERVES			
Called up share capital	13	1,000,000	1,000,000
Retained earnings	14	<u>(320,674)</u>	<u>(335,513)</u>
SHAREHOLDERS' FUNDS		<u>679,326</u>	<u>664,487</u>

The financial statements were approved by the Board of Directors and authorised for issue on 9 November 2021 and were signed on its behalf by:

S Bajwa - Director

Statement of Changes in Equity
for the Year Ended 31 July 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2019	1,000,000	(412,285)	587,715
Changes in equity			
Total comprehensive income	-	76,772	76,772
Balance at 31 July 2020	1,000,000	(335,513)	664,487
Changes in equity			
Total comprehensive income	-	14,839	14,839
Balance at 31 July 2021	1,000,000	(320,674)	679,326

Cash Flow Statement
for the Year Ended 31 July 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	17	<u>121,257</u>	<u>244,520</u>
Net cash from operating activities		<u>121,257</u>	<u>244,520</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(26,004)	(1,544)
Purchase of tangible fixed assets		-	(2,575)
Interest received		-	235
Net cash from investing activities		<u>(26,004)</u>	<u>(3,884)</u>
Increase in cash and cash equivalents		<u>95,253</u>	<u>240,636</u>
Cash and cash equivalents at beginning of year	18	<u>532,862</u>	<u>292,226</u>
Cash and cash equivalents at end of year	18	<u>628,115</u>	<u>532,862</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 July 2021

1. GENERAL INFORMATION

The company's dealing platform, dealing orders and transactions with its clients are all carried out in US\$. However the company's operations are run from its UK offices and all the company's costs are incurred in £Sterling. Surplus cash balances are also held in £ Sterling. As these indicators give a mixed result and the functional currency is not obvious, management have used their judgement to choose the currency that most faithfully represents the economic effects of transactions, events and conditions in which the company operates. Management have therefore decided to use £ Sterling as the functional and also the presentational currency.

The Board of directors has authorised the issue of these financial statements on the date of the statement as set out on page 11.

2. STATUTORY INFORMATION

House Of Borse Ltd is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover consists of commission received and represents the value of services supplied by the company. Turnover is measured at the fair value of the consideration received or receivable.

Other income

Other income comprises of Government grants. Grants that become receivable as compensation for expenses, or losses incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, are recognised in income, in the period in which it becomes receivable.

Intangible assets

Website, dealing platform and software have been capitalised at cost. Amortisation has been provided over three years to write off the assets over its estimated useful life.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

3. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leasing commitments

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

Exceptional items

Items of Income and Expenditure which are material, non-recurring and not related to the Company's core business are reported on the profit and loss account below the profit or loss on ordinary activities.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like other debtors and creditors. Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Debtors and creditors

Basic financial assets and liabilities, including other debtors and creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets and liabilities are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand and at bank.

Going concern

After reviewing the company's forecasts and projections which covers a period of twelve months from the date the accounts are approved, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

4. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	197,228	230,833
Social security costs	18,967	16,955
Other pension costs	3,390	4,606
	<u>219,585</u>	<u>252,394</u>

The average number of employees during the year was as follows:

	2021	2020
Management	3	3
Administration	<u>1</u>	<u>1</u>
	<u>4</u>	<u>4</u>

The only Key Management Personnel compensation is directors' remuneration amounting to £110,128 (2020: £148,000).

	2021	2020
	£	£
Directors' remuneration	<u>110,128</u>	<u>148,000</u>

5. OPERATING PROFIT/(LOSS)

The operating profit (2020 - operating loss) is stated after charging:

	2021	2020
	£	£
Depreciation - owned assets	3,054	2,121
Dealing platform and software amortisation	7,007	7,166
Statutory audit fees	9,400	9,922
Audit-related assurance services	4,000	4,778
Taxation compliance services	600	600
Foreign exchange differences	858	7,116
Operating lease rental	<u>55,619</u>	<u>48,901</u>

6. EXCEPTIONAL ITEMS

	2021	2020
	£	£
Exceptional income	<u>-</u>	<u>250,000</u>

The exceptional income in the prior year arose on a forfeited deposit of £250,000 in respect of an aborted capital transaction.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

7. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
Deferred tax	<u>(1,274)</u>	<u>5,147</u>
Tax on profit	<u>(1,274)</u>	<u>5,147</u>

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£	£
Profit before tax	<u>13,565</u>	<u>81,919</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	2,577	15,565
Effects of:		
Capital allowances in excess of depreciation	(3,807)	-
Depreciation in excess of capital allowances	-	34
Adjustments to tax charge in respect of previous periods	(44)	-
Corporation tax rate adjustment	-	(10,452)
Total tax (credit)/charge	<u>(1,274)</u>	<u>5,147</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2021**

8. INTANGIBLE FIXED ASSETS

	Website £	Dealing platform and software £	Totals £
COST			
At 1 August 2020	3,845	64,595	68,440
Additions	-	26,004	26,004
At 31 July 2021	3,845	90,599	94,444
AMORTISATION			
At 1 August 2020	3,845	60,072	63,917
Amortisation for year	-	7,007	7,007
At 31 July 2021	3,845	67,079	70,924
NET BOOK VALUE			
At 31 July 2021	-	23,520	23,520
At 31 July 2020	-	4,523	4,523

9. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 August 2020 and 31 July 2021	15,948
DEPRECIATION	
At 1 August 2020	10,470
Charge for year	3,054
At 31 July 2021	13,524
NET BOOK VALUE	
At 31 July 2021	2,424
At 31 July 2020	5,478

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

10. DEBTORS

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	1,576,958	540,873
Prepayments and accrued income	172,704	77,004
	<u>1,749,662</u>	<u>617,877</u>
Amounts falling due after more than one year:		
Deferred tax	<u>77,286</u>	<u>76,012</u>
Aggregate amounts	<u>1,826,948</u>	<u>693,889</u>

The key sources of estimation uncertainty regarding the deferred tax asset is the timing of the realisation of future profit.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Social security and other taxes	5,641	5,369
Other creditors	1,780,173	550,342
Accrued expenses	15,867	16,554
	<u>1,801,681</u>	<u>572,265</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	18,852	51,516
Between one and five years	-	17,172
	<u>18,852</u>	<u>68,688</u>

13. CALLED UP SHARE CAPITAL

Allotted and issued:		Nominal value:	2021	2020
Number:	Class:		£	£
100,000	Ordinary shares	£10	<u>1,000,000</u>	<u>1,000,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

14. RESERVES

	Retained earnings £
At 1 August 2020	(335,513)
Profit for the year	14,839
At 31 July 2021	<u>(320,674)</u>

15. RELATED PARTY DISCLOSURES

During the year ended 31 July 2021, a company in which a shareholder of House of Borse Ltd is the ultimate controlling party made charges to the company for Information Technology and customer services support amounting to £56,315 (2020: £74,547).

During the year ended 31 July 2021, a major shareholder and director of the company deposited £45,760 (2020: £8,174) and withdrew £3,946 (2020: £154,192) from his trading accounts. The commission received by the company from the related party on his trading accounts amounted to £168 (2020: £6,200).

16. ULTIMATE CONTROLLING PARTY

The controlling party is M Alkahtani, who is also a director and owns ninety one percent of the ordinary share capital of the company.

17. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Profit before taxation	13,565	81,919
Amortisation of intangible assets	7,007	2,121
Depreciation of computer equipment	3,054	7,166
Finance income	-	(235)
	<u>23,626</u>	<u>90,971</u>
(Increase)/decrease in trade and other debtors	(1,131,785)	1,365,384
Increase/(decrease) in trade and other creditors	<u>1,229,416</u>	<u>(1,211,835)</u>
Cash generated from operations	<u>121,257</u>	<u>244,520</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

18. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 July 2021

	31.7.21	1.8.20
	£	£
Cash and cash equivalents	<u>628,115</u>	<u>532,862</u>

Year ended 31 July 2020

	31.7.20	1.8.19
	£	£
Cash and cash equivalents	<u>532,862</u>	<u>292,226</u>

19. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.20	Cash flow	At 31.7.21
	£	£	£
Net cash			
Cash at bank	<u>532,862</u>	<u>95,253</u>	<u>628,115</u>
	<u>532,862</u>	<u>95,253</u>	<u>628,115</u>
Total	<u>532,862</u>	<u>95,253</u>	<u>628,115</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

20. FINANCIAL INSTRUMENTS

The company's financial instruments comprise cash and cash equivalents and various items such as other debtors, trade and other creditors, that arise directly from its operations.

The main purpose of these financial instruments is to finance the company's operations.

The Board regularly reviews and agrees policies for managing the level of risk arising from the company's financial instruments. These are summarised below:

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's policy throughout the period has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital.

Foreign currency risk

The company undertakes transactions principally in US Dollars and Pounds Sterling. While the company continually monitors its exposure to movements in currency rates, it does not utilise hedging instruments to protect against currency risks. The company's trading platform is denominated in US Dollars. Income received and expenses incurred in US Dollars are main currency exposure risk to the company.

Interest rate risk

The company utilises cash deposits at variable rates of interest for a variety of short-term periods, depending on cash requirements. The rates are reviewed regularly and the best rate obtained in the context of the company's needs.

21. CAPITAL REQUIREMENT

The company's capital requirement under the Financial Conduct Authority regulations amounted to £106,533 (Euro 125,000) as at 31 July 2021.

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.