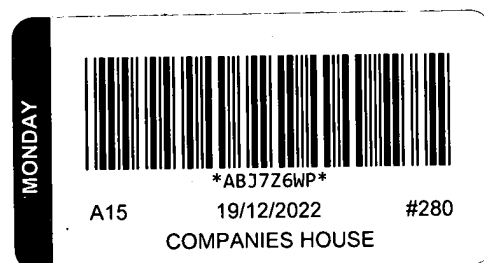




**Strategic report, report of the directors and
Financial statements for the year ended 31 December 2021**

For

Billon Financial Limited



**Contents of the financial statements
for the Year Ended 31 December 2021**

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DIRECTORS: Mrs C S Conby
Mr. D A Putts - appointed on 01 Sep 2022
Mr. R A Kaluza – resigned on 01 Sep 2022

REGISTERED OFFICE: Craven House, 40-44 Uxbridge Road
Ground Floor,
London
W5 2BS

REGISTERED NUMBER: 10169337 (England and Wales)

**SENIOR STATUTORY
AUDITOR:** Jason Parker

AUDITORS: Parker Russell UK LLP
Chartered Accountants and
Statutory Auditor
Level 30
The Leadenhall Building
122 Leadenhall Street
City of London
EC3V 4AB

**Strategic report
for the Year Ended 31 December 2021**

The directors present their Strategic report of Billon Financial Limited for the year ended 31 December 2021.

REVIEW OF BUSINESS

Billon Financial Limited is a private limited company incorporated in the United Kingdom under the Companies Act. The director presents his strategic report of the company for the year ended 31 December 2021. Billon created a high-performance DLT system for all asset classes: national currencies, documents & data and identity, meeting regulatory requirements and solving challenges for the wide adoption of Blockchain Technologies. With the protocol designed for high throughput and low cost of maintenance, our mission is to become the backbone for all kinds of enterprise applications and unleash the transformational capabilities of Blockchain in the regulated world. The company successfully completed the regulatory sandbox with the FCA in 2016 for an e-money based app and received registration of the small EMI License in 2018.

There have been no significant changes in the nature of the activities during the financial year. The company expects to be generating commercial income in Q2 2023.

The results for the company show a pre-tax loss of £142,824 for the year and sales of £13,550. The company has traded in accordance with expectation for the year under review. The company focus during the year was to maintain and increase the UK market share and reduce the underlying overheads in order to improve the underlying profitability. The trading conditions remained competitive in 2021 but the company has managed to maintain its market share by offering a competitive price to its customers.

Future performance

The company believes that market conditions for the next year will continue to be competitive as a result of the economic down turn in the global economy. However, the Company will continue to maintain and increase its market share by offering competitive pricing to its current and future customers without comprising on the quality of its product.

Research and development

The parent company and the UK subsidiary will continue to invest in the design and development of new products. The directors consider the investment in research and development as vital to the success and growth of the business and customer satisfactions.

Key performance indicators

The directors monitor sales order and related gross profit on a daily basis together with the underlying fixed and variable overheads in order to assess how the company is performing. In addition to daily review and examination of the sales and associated expenditure, the company produce monthly management accounts and compared it against budgeted sales and expenditures.

Environment

The company is committed to its corporate responsibility of carrying out operations whilst minimising environmental impacts. The directors' continued aim is to minimise and properly manage energy efficiency, reduce the waste generated by re-using and recycling waste materials wherever feasible and complying with all applicable environmental legislation

Health and safety

The company is committed to achieving the highest practicable standards in both health and safety management for all their operations and also recognise and are committed to promoting the wellbeing of employees. The directors have implemented a comprehensive health and safety management system in order to comply with the legislative requirements, maintain safe and healthy working conditions, establish objectives and targets and achieve continual improvement.

Human resources

The company's most important resource is its people; their knowledge and experience is crucial to meeting customer requirements. Retention of key staff is critical but not a risk and the company has invested increasingly in employment training and development and has introduced appropriate incentive and career progression arrangements.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to certain risks. The key risks affecting the company include competition, employee retention, product availability and foreign exchange. In order to manage competition risk the Board carries out regular strategic reviews including assessments of competitor activity and market trends. In terms of foreign exchange management, this is discussed under the section financial risk management below.

Financial risk management

In its ordinary operations, the Company is exposed to various risk such as capital risk, foreign currency risk, interest rate risk, credit risk and liquidity risks.

Capital risk management

The company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to the stakeholders through the optimisation of the debt and equity balances. The capital structure of the Company consists of equity comprising stated capital and accumulated profits.

Currency risk

The Company is exposed to the risk that the exchange rate of the US Dollar relative to the English pound and euro may change in manner which has a material effect on the reported values of its assets and liabilities.

Foreign currency sensitivity analysis

The Company is mainly exposed to GBP, Euro and Polish Zloty.

Compliance risk

Compliance risk arises from a failure or inability to comply with the laws, regulations or codes applicable to the industry. Non-compliance can lead to fines, public reprimands, enforced suspension of operations or, in extreme cases, withdrawal of authorisation to operate.

Credit risk management

Credit risk refers to the risk that a counterpart will default on its contractual obligations resulting in financial loss to the Company. The Company does not have significant concentration of risk

Interest rate risk

At the reporting date, the Company does not have any exposure to interest rate risk as the Company does not borrow funds.

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial statements.

Fair values

Except where stated elsewhere, the carrying amounts of the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balance involved.

BUSINESS ETHICS

Business conduct and ethics serves to (1) emphasis the company's commitment to ethics and compliance with established laws and regulations; (2) set basic standards of ethical and legal behaviour; (3) provide a reporting mechanism for known or suspected ethical or legal violations; and (4) help prevent and detect any wrongdoings.

The Group believes that a firm understanding of ethical conduct provides everyone in the organisation with the same moral compass to follow when making business decisions. The Group's code of business conduct and ethics and underlying philosophy is a key part of its ethical framework, outlining the organisation's ethical principles, and providing guidance on the expected standards of behaviour for all employees. Our corporate philosophy is coupled with a business operational approach that ensures the organisation acts within the context of various laws and regulations governing business ethics.

Our values since its founding, the Company has conducted business according to a set of values that over the years have become linked with the Company's brand, products, services, and its people. As a Company, we value;

Leadership

We are all leaders in our area of responsibility, with a deep commitment to deliver results

We focus our resources to achieve leadership objectives and strategies

We develop the leadership capability to deliver our strategies and reduce organisational barriers.

Ownership

We accept personal accountability to meet our business needs, improve our systems, and help others improve their effectiveness

We strive to act like owners, treating the company's assets as our own and behaving with the Company's long-term success in mind

Integrity

We always try to do the right thing.

We are honest and straightforward with each other.

We operate with the letter and spirit of the law

We uphold the values and principles of Billon Group Limited in our actions and decisions

**Strategic report
for the Year Ended 31 December 2021**

KEY PERFORMANCE INDICATORS

The company's key performance indicators, other than customers signed up for tests or commercial use are cost-based and regulatory measures, which are reviewed monthly. These include budgetary control and analytical review.

While overall the KPIs set by the company were not met, the overall performance was acceptable as the company continues to adapt the solution to meet market needs and there is growing awareness of the company's DLT based e-money system.

KEY BUSINESS RELATIONSHIPS WITH SUPPLIERS AND CUSTOMERS

As directors, we are aware of our duty under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the company's success for the benefit of its shareholders as a whole, and to have regard to the long-term effect of our decisions on the company and its other stakeholders.

The Company continue to monitor and maintain key business relationships with its suppliers and banks to enable it to delivery its services.

During the course of the year the company took a number of steps to ensure that the operations are in compliance with the relevant regulations outlined by the FCA and most recently undertaking a compliance audit for PSD2 compliance and review of the Company safeguarding procedure which were supported by the firm of compliance professionals.

POLICIES TO PREVENT SLAVERY/HUMAN TRAFFICKING/BRIBERY/ANTI-CORRU

It is our policy to conduct all of our business in a honest and ethical manner. We will uphold all laws relevant to Anti-slavery and will advance this through our company policies including Human Rights, Equal Opportunities, Health & Safety, Anti-corruption, Anti-bulling & Harassment and whistle-blowing policy. The company will not work with other organisations which we consider do not share our commitment to preventing bribery, corruption or acts of slavery.

ON BEHALF OF THE BOARD:

Claire Conby

Claire Conby (Dec 14, 2022 14:44 GMT)

Mrs C S Conby - Director

14 December 2022



**Report of the directors
for the Year Ended 31 December 2021**

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

The Director presents their report 31 December 2021. This Director's Report was prepared in accordance with the applicable information disclosure requirements of Companies Act.

DIVIDENDS

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

DIRECTORS

The directors who held office during the period from 1 January 2021 to the date of this report are as follows:

Mrs C S Conby

Mr. R A Kaluza - resigned 01 September 2022

Mr. D A Putts was appointed as director after 31 December 2021 but prior to the date of this report

POLITICAL DONATIONS AND EXPENDITURE

The Company made no political donations or contributions during 2021 (2020: nil). It is our policy to not make political donations or incur political expenditure in the EU. However, there may be uncertainty as to whether some normal business activities fall under the wide definitions of political donations, organisations and expenditure used in the Companies Act. We will therefore continue to seek shareholder approval to make political donations or incur expenditure within the EU as a precaution to avoid any inadvertent breach of the Companies Act.

GOING CONCERN

The Directors have prepared and reviewed the Company's cash flow forecasts over a period in excess of 12 months from the date of their approval of the 2021 financial statements. The forecasts include an assessment of current and future end market conditions and their impact on the Company's future trading performance. They show that the Company will be able to continue to operate within its current committed debt facilities and comply with its financial covenants.

The Company's current liabilities exceeded its current assets by £520,544. As stated in Note 2.3 these events or conditions, along with other matters as set forth in Note 20, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

**Report of the directors
for the Year Ended 31 December 2021**

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes the group and the parent company will continue in operational existence for at least 12 months from the date of approval of the financial statements. The group has made a loss in the year and has net current assets at the reporting date. The directors are confident however that the group and the company will have sufficient funds to ensure they remain in operational existence for the foreseeable future.

On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. However, should targets in the business plan not be met, the going concern basis used in preparing the group's and the parent company's financial statements may be invalid and adjustments would have to be made to reduce the value of assets to their realisable amount and to provide for any further liabilities which may arise. The financial statements do not include any adjustment to the group's or the parent company's assets or liabilities that might be necessary should this basis not continue to be appropriate.

MATERIAL LITIGATIONS

As at the date of this report, the Company is not engaged in any material litigations, claims, arbitration or persecution, either as plaintiff or defendant, and the Director is not aware of any proceedings pending or threatened against the Company or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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). 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**Report of the directors
for the Year Ended 31 December 2021**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Parker Russell UK LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Claire Conby (Dec 14, 2022 14:44 GMT)

Mrs C S Conby - Director

14 December 2022

Report of the independent auditors to the members of Billon financial limited

Opinion

We have audited the financial statements of Billon Financial Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 December 2021 and of its loss 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.

•

Report of the independent auditors to the members of Billon financial limited

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, 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.

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.

**Report of the independent auditors to the members of
Billon financial limited**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages nine and ten, 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.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of auditing financial institutions;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- obtaining an understanding of the policies and procedures including internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations in order to design audit procedures that are appropriate in the circumstances (but not for the purpose of expressing an opinion on the effectiveness of the company's internal control)

To address the risk of fraud through management bias and override of controls, we:

- identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, design and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion
- performed analytical procedures to identify any unusual or unexpected relationships;

Report of the independent auditors to the members of Billon financial limited

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates in relation to income recognition were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;- evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view);
- reading the minutes of meetings of those charged with governance;- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors; and

- concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

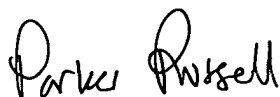
Material misstatements that arise due to fraud can be harder to detect than those arise from error as they may involve collusion, forgery, deliberate concealment and omissions, misrepresentations, or the override of internal control.

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
Billon financial limited**

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.



Jason Parker (Senior Statutory Auditor)

for and on behalf of Parker Russell UK LLP
Chartered Accountants and Statutory Auditors



City of London, 14 December 2022

Billon Financial Limited

**Income statement
for the Year Ended 31 December 2021**

		31.12.21		31.12.20	
	Notes	£	£	£	£
Turnover			13,550		-
Distribution costs		45,887		7,650	
Administrative expenses		<u>110,487</u>		<u>64,073</u>	
			<u>156,374</u>		<u>71,723</u>
Operating loss	4		(142,824)		(71,723)
Interest receivable and similar income			<u>-</u>		<u>5,161</u>
Loss before taxation			(142,824)		(66,562)
Tax on loss	5		<u>-</u>		<u>-</u>
Loss for the financial year			<u>(142,824)</u>		<u>(66,562)</u>

The notes form part of these financial statements



Billon Financial Limited

**Other comprehensive income
for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
Loss for the year		(142,824)	(66,562)
Other comprehensive income		—	—
Total comprehensive income for the year		<u>(142,824)</u>	<u>(66,562)</u>

The notes form part of these financial statements



Billon Financial Limited (Registered number: 10169337)

**Balance sheet
31 December 2021**

	Notes	31.12.21 £	31.12.20 £
Current assets			
Debtors	6	39,444	80,724
Cash at bank		<u>80,832</u>	<u>50,603</u>
		120,276	131,327
Creditors			
Amounts falling due within one year	7	<u>640,820</u>	<u>509,047</u>
Net current liabilities		<u>(520,544)</u>	<u>(377,720)</u>
Total assets less current liabilities		<u>(520,544)</u>	<u>(377,720)</u>
Capital and reserves			
Called up share capital	8	100	100
Retained earnings	9	<u>(520,644)</u>	<u>(377,820)</u>
Shareholders' funds		<u>(520,544)</u>	<u>(377,720)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 14 December 2022 and were signed on its behalf by:

Claire Conby
Claire Conby (Dec 14, 2022 14:44 GMT)

Mrs C S Conby - Director

The notes form part of these financial statements



Billon Financial Limited

**Statement of changes in equity
for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	100	(311,258)	(311,158)
Changes in equity			
Total comprehensive income	<u>-</u>	<u>(66,562)</u>	<u>(66,562)</u>
Balance at 31 December 2020	<u>100</u>	<u>(377,820)</u>	<u>(377,720)</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>(142,824)</u>	<u>(142,824)</u>
Balance at 31 December 2021	<u>100</u>	<u>(520,644)</u>	<u>(520,544)</u>

The notes form part of these financial statements



1. STATUTORY INFORMATION

Billon Financial Limited 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.

2. 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.

FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of paragraph 33.7;
- the requirements of paragraph 24(b) of IFRS 6.

This information is included in the consolidated financial statements of Billon Group Limited as at 31 December 2021 and these financial statements may be obtained from the registrar of Companies.

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

TAXATION

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. ACCOUNTING POLICIES - continued

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

GOING CONCERN

The outbreak of COVID-19 since the year-end will most likely have a substantial negative impact on both global and local economies. Across the Company, a pro-active response programme has been put in place to continually assess and respond effectively to this evolving situation, adjust operations to maintain business continuity and support the safety and health of both staff and customers.

At the date of approval of the financial statements, the overall impact cannot be accurately estimated but an adverse influence on 2022 performance is expected. The Company has already taken steps and will be working on a number of initiatives to continue to support its various stakeholders.

Based on the above, the directors of the Company have concluded that there are no material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

2. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial asset- recognition and measurement

Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive cash.

All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The company classifies its financial assets in the following categories: at fair value through profit or loss; and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss or at fair value through other comprehensive income

There are no instruments which have been classified under this category

(b) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business mode whose objective is to correct the contractual cash flows and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

This category is the most relevant to the company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.



2. ACCOUNTING POLICIES - continued

Financial liabilities - recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities when entity becomes a party to the contract, as consequence it has legal obligation to deliver cash or exchange financial assets at terms which are unfavourable to entity.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities comprise of trade creditors, amounts owed to group undertakings and other creditors.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

The company does not have any financial liabilities which are subsequently re-measured at fair value through profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



Billon Financial Limited

Notes to the financial statements - continued for the Year Ended 31 December 2021

3. EMPLOYEES AND DIRECTORS

	31.12.21	31.12.20
	£	£
Wages and salaries	41,400	6,900
Social security costs	<u>4,487</u>	<u>750</u>
	<u>45,887</u>	<u>7,650</u>

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

	31.12.21	31.12.20
Directors	<u>2</u>	<u>4</u>

	31.12.21	31.12.20
	£	£
Directors' remuneration	<u>41,400</u>	<u>6,900</u>

4. OPERATING LOSS

The operating loss is stated after charging:

	31.12.21	31.12.20
	£	£
Foreign exchange differences	<u>1,504</u>	<u>-</u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	9,800	-
Amounts owed by group undertakings	29,220	80,724
Other debtors	<u>424</u>	<u>-</u>
	<u>39,444</u>	<u>80,724</u>



**Notes to the financial statements - continued
for the Year Ended 31 December 2021**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade creditors	6,542	12,363
Amounts owed to group undertakings	549,520	437,020
Social security and other taxes	1,383	2,768
Other creditors	83,375	56,896
	<u>640,820</u>	<u>509,047</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.21	31.12.20
			£	£
10,000	Ordinary Shares	£0.01	<u>100</u>	<u>100</u>

9. RESERVES

	Retained earnings
	£
At 1 January 2021	(377,820)
Deficit for the year	<u>(142,824)</u>
At 31 December 2021	<u><u>(520,644)</u></u>

10. CONTROLLING PARTY

The ultimate controlling party is Billon Group Limited, a company incorporated in England and Wales, by Virtue of its 100% shareholding. Its registered office is Cannon Place, 78 Cannon Street, London, EC4N 6AF. There is no controlling party of Billon Group Limited due to no single shareholder owing more than 50% of the issued share capital.

11. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2021 or 31 December 2020.

**Notes to the financial statements - continued
for the Year Ended 31 December 2021**

12. CAPITAL COMMITMENTS

The company had no capital commitments at 31 December 2021 or 31 December 2020.