COMPANY REGISTRATION NUMBER : 10511092

THE BANK OF LONDON GROUP HOLDINGS LIMITED

Formerly TBOL Limited

Annual Report and Financial Statements for the year ended 30 December 2021

The Bank of London Group Holdings Limited

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The Bank of London Group Holdings Limited

Company Information

Directors	A G Watson Lord P B Mandelson Baroness M J McDonagh A Z Ortiz H Schwartz M Tluszcz W Davis
Registered office	100 Bishopsgate London, City of London EC2N 4AG
Auditors	Sedulo Audit Limited Regency Court 62-66 Deansgate Manchester M3 2EN
Company registration number	10511092

The Directors present their strategic report for the Bank of London Group Holdings Limited ("the Group and/or the Holding Company") for the year ended 30 December 2021.

1. Mission statement

Our mission is to create the world's best clearing bank, offering the first and fastest purpose-built global payments and clearing platform that's powering the businesses and entrepreneurs of the future. We will leverage our patented technology innovations and differentiated bank capabilities to lift economies and communities by powering the borderless economic infrastructure of the future.

2. Principal Activities

The principal activity of the Group during the period was to raise investment capital, build, mobilise and launch the United Kingdom's 6th principal.clearing bank.

3. Review of business

The Holding Company is the parent entity for all subsidiaries and provides oversight. The Holding Company is responsible for raising investment capital and setting the overall strategy at the group level.

The Group's first Bank entity, the UK Bank, regulated in the UK, submitted its regulatory business plan ('RBP') in the third quarter of 2020, approved by the UK regulators to enter mobilization in the fourth quarter of 2021, marking a key milestone where the Bank entered the mobilisation phase of its journey.

The Group formally launched to the public in November 2021, and therefore the main activities in 2021 were focused on building high quality teams across all business areas and functions.

4. Future developments

The Group will continue to invest in recruiting high calibre professionals to support and achieve its objective to be to be world's best clearing bank.

The UK Bank submitted its Variation of Permission application to the regulators in the third quarter of 2022, the granting of which would enable the UK Bank to exit mobilisation and formally commence its revenue operations. The UK Bank expects to receive final approval before the end of 2022. The UK Bank's focus will remain on enhancing its technical and operational capabilities, and on boarding high calibre talent across the organisation.

5. Coronavirus ("COVID 19")

The Group will continue to assess the impact COVID 19 has on its business activities and will manage the risk accordingly.

6. Section 172 (1) Statement

The Board of Directors ("the Group Board") consider, both individually and collectively, that they have acted in good faith to promote the success of the Group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken to the year ended 30 December 2021.

7. Group Board Composition

The Group Board comprises of seven positions, including one executive director, the chief executive officer ("CEO"), a chairperson, three non-executive directors and two independent.non-executive directors. The Group Board possesses the required combination of skills, backgrounds, experience, and knowledge for its role.

8. Decision making

The Group Board maintains responsibility for long term and strategic decision making, implementing the highest level of conduct and governance.

The Group Board is also responsible for determining the overall group dividend policy at the group level. The Board of the UK Bank subsidiary approve any dividend to be paid to the Holding Company. The Group Board has delegated responsibility for managing the running of the UK Bank to the UK Bank Board.

During the year ended 30 December 2021, key decisions include:
- Progression of the UK Bank's application to the regulators to exit mobilisation.
- Sourcing additional capital investment to facilitate growth.
- Not proposing a dividend for the year.

9. Stakeholders

The Group Board fosters effective stakeholder relationships and has identified the key relationships, as set out below. Monitoring of these relationships is undertaken at regular intervals by executive management and reported to the Group Board.

Stakeholder	Engagement
Colleagues	Colleagues are at the centre of how the Group succeeds. The Group seeks to maintain high levels of employee engagement, including regular all-colleague communication sessions.
Clients	As at 30 December 2021, the Group had not commenced revenue generation activities and did not have clients.
Regulators	Through the Group CEO, the Group maintains an open and transparent relationship with its Regulators.
Investors	The Group works closely with its investors to ensure that the business is well understood.
Suppliers and Partners	The Group recognises the importance of its suppliers to its success. A formal supplier management and outsourcing policy is being established. Key partnership relationships are being developed.

10. Business Conduct

The Group seeks to maintain a reputation for high standards of business conduct.

11. Community and Environment

The Group's impact on the community, socially and environmentally, forms part of the governance framework.

12. People and Culture

The Group's core values define who we are when we operate at our best. As such, they are the primary prism through which we gauge if our culture is the right place for colleagues to excel. Our core values are:

- We`re exceptional without exception
- We play by the rules. We do the right thing. Always
- We learn. Fast.
- We're ferocious in delivering amazing
- We make the complex simple
- We're human. We're kind
- We give gratitude. We give back

For further definitions of each of these values, visit the Company website at www.thebankoflondon.com

13. Principal Risks and Uncertainties

The Group's risk management objectives and policies, as well as exposures in relation to key risk types are described in the notes to the financial statements (see note 17).

14. Financial Key Performance Indicators

The consolidated loss for the year amounted to £11.2m (2020: £4.0m loss). Net assets as at 30 December 2021 were £16.9m (2020: £11.2m net assets). The results for the year are in line with directors' expectations, given the development phase of the business.

This report was approved by the board on 17 December and signed on its behalf.

A G Watson
Director

Date: 22 December 2022

The directors present their report and the audited financial statements of The Bank of London Group Holdings Limited for the year ended 30 December 2021. This contains the consolidated and individual financial statements.

1. 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, and in compliance with, International Financial Reporting Standards ("IFRS") adopted by the United Kingdom and the Companies Act 2006. Under company law the directors must not approve the Group 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.

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 company 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.

2. 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.

3. Directors

The directors who served in office during the period and up to date of this report are as follows:

A G Watson	
Lord P B Mandelson	(appointed 01 November 2021)
Baroness M J McDonagh	(appointed 01 November 2021)
A Z Ortiz	
H Schwartz	(appointed 31 October 2021)
M Tluszc	
W Davis	(appointed 01 October 2021)

4. Events after the reporting period

The Group incorporated another company, TBOL (N.I.) Limited on 02 February 2022. Other than this, the directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Auditors

The auditors, Sedulo Audit Limited, will be proposed for re-appointment.

6. Donations

The company did not make any political and charitable donations during the year ended 30 December 2021 (2020: £ Nil)

7. Dividends

No dividends have been or will be distributed for the year ended 30 December 2021 (2020: Nil).

This report was approved by the Board on 17 December 2022 and signed on its behalf.

A G Watson
Director

Date: 22 December 2022

Independent Auditor's Report

To the Members of The Bank of London Group Holdings Limited

Report on the Audit of the Annual Report And Financial Statements

Opinion

We have audited the annual report and financial statements of The Bank of London Group Holdings Limited (the company) set out on pages 11 to 37, which comprise the statement of financial position as at 30 December 2021, statement of profit or loss and other comprehensive income, statement of changes in equity for the year ended 30 December 2021 and statement of cash flows for the year then ended, and notes to the annual report and financial statements, including a summary of significant accounting policies.

In our opinion, the annual report and financial statements present fairly, in all material respects, the financial position of The Bank of London Group Holdings Limited as at 30 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and 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 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.

Responsibilities of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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.

Auditor's Responsibilities for the Audit of the Annual Report And 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.

Extent to which the audit was capable of detecting irregularities, including fraud

The primary responsibility for the prevention and detection of fraud rests with directors and management, and we cannot be expected to detect non-compliance with all laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our knowledge of the business and sector, enquiries of directors and management, and review of regulatory information and correspondence. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

We discussed with directors and management the policies and procedures in place to ensure compliance with laws and regulations and otherwise prevent, deter and detect fraud.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified as potentially having a material effect on the financial statements. Our procedures included review of financial statement information and testing of that information, enquiry of management and examination of relevant documentation, analytical procedures to identify unusual or unexpected relationships that may indicate fraud, and procedures to address the risk of fraud through director or management override of controls.

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

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.

David Stansfield (Senior Statutory Auditor)
for and behalf of Sedulo Audit Limited
Statutory Auditors
Regency Court
62-66 Deansgate
Manchester
M3 2EN

20 December 2022
Date

The Bank of London Group Holdings Limited

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 December 2021

		Group		Company	
	Note(s)	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
Other income	3	194	-	146	-
Other operating gains		2	-	-	-
Administrative expenses		(11,377)	(4,045)	(7,287)	(3,252)
Operating loss	4	**(11,181)**	**(4,045)**	**(7,141)**	**(3,252)**
Finance costs		(44)	-	-	-
Loss before taxation		**(11,225)**	**(4,045)**	**(7,141)**	**(3,252)**
Taxation	5	-	-	-	-
Loss for the year		**(11,225)**	**(4,045)**	**(7,141)**	**(3,252)**

There has been no other comprehensive income or expense other than the loss for the period 30 December 2021 shown above (2020: nil).

All income is attributable to the shareholders of the parent company.

The Bank of London Group Holdings Limited

Statement of Financial Position as at 30 December 2021

		Group		Company	
	Note(s)	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
Assets					
Non-Current Assets					
Right-of-use assets - Property	6	5,107	-	-	-
Intangible assets	7	1,822	861	1,025	861
Investments in subsidiaries	8	-	-	22,540	-
		6,929	**861**	**23,565**	**861**
Current Assets					
Trade and other receivables	9	379	-	6,573	2,973
Cash and cash equivalents	10	18,446	11,609	18,319	11,552
		18,825	**11,609**	**24,892**	**14,525**
Non-current assets held for sale and assets of disposal groups	11	556	-	-	-
Total Assets		**26,310**	**12,470**	**48,457**	**15,386**
Equity and Liabilities					
Equity					
Equity	12	37,034	20,720	37,034	20,720
Reserves		(277)	(833)	-	-
Retained earnings		(19,913)	(8,688)	(13,145)	(6,004)
		16,844	**11,199**	**23,889**	**14,716**
Liabilities					
Non-Current Liabilities					
Lease liabilities relating to right-of-use assets - Property	6	4,007	-	-	-
Current Liabilities					
Trade and other payables	13	4,146	1,271	24,568	670
Lease liabilities relating to right-of-use assets - Property	6	1,313	-	-	-
		5,459	**1,271**	**24,568**	**670**
Total Liabilities		**9,466**	**1,271**	**24,568**	**670**
Total Equity and Liabilities		**26,310**	**12,470**	**48,457**	**15,386**

The annual report and financial statements and the notes on pages 12 to 38, were approved by the board of directors on 17 December 2022 and were signed on its behalf by:

A G Watson
Director

The Bank of London Group Holdings Limited

Statement of Changes in Equity for the year ended 30 December 2021

	Share capital	Share premium	Total share capital	Foreign currency translation reserve*	Retained earnings	Total equity
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Group						
Balance at 30 December 2019	**70**	**6,256**	**6,326**	**-**	**(4,643)**	**1,683**
Loss for the year	-	-	-	-	(4,045)	(4,045)
Foreign currency translation reserve movement	-	-	-	(833)	-	(833)
Total comprehensive Loss for the year	**-**	**-**	**-**	**(833)**	**(4,045)**	**(4,878)**
Issue of shares	7	14,387	14,394	-	-	14,394
Total	**7**	**14,387**	**14,394**	**-**	**-**	**14,394**
Balance at 30 December 2020	**77**	**20,643**	**20,720**	**(833)**	**(8,688)**	**11,199**
Loss for the year	-	-	-	-	(11,225)	(11,225)
Foreign currency translation reserve movement	-	-	-	556	-	556
Total comprehensive Loss for the year	**-**	**-**	**-**	**556**	**(11,225)**	**(10,669)**
Issue of shares	3	16,311	16,314	-	-	-
Total	**3**	**16,311**	**16,314**	**-**	**-**	**16,314**
Balance at 30 December 2021	**80**	**36,954**	**37,034**	**(277)**	**(19,913)**	**16,844**
Note(s)	12	12	12			

* The translation deficit represents the cumulative position of translation gains and losses arising from the conversion of the net assets of the foreign subsidiary companies to the reporting currency

The Bank of London Group Holdings Limited

Statement of Changes in Equity for the year ended 30 December 2021

	Share capital	Share premium	Total share capital	Foreign currency translation reserve*	Retained earnings	Total equity
	£ '000	£ '000	£ '000	£ '000	£ '000	£ '000
Company						
Balance at 30 December 2019	**70**	**6,256**	**6,326**	**-**	**(2,752)**	**3,574**
Loss for the year	-	-	-	-	(3,252)	(3,252)
Total comprehensive Loss for the year	**-**	**-**	**-**	**-**	**(3,252)**	**(3,252)**
Issue of shares	7	14,387	14,394	-	-	14,394
Total	**7**	**14,387**	**14,394**	**-**	**-**	**14,394**
Balance at 30 December 2020	**77**	**20,643**	**20,720**	**-**	**(6,004)**	**14,716**
Loss for the year	-	-	-	-	(7,141)	(7,141)
Total comprehensive Loss for the year	**-**	**-**	**-**	**-**	**(7,141)**	**(7,141)**
Issue of shares	3	16,311	16,314	-	-	16,314
Total	**3**	**16,311**	**16,314**	**-**	**-**	**16,314**
Balance at 30 December 2021	**80**	**36,954**	**37,034**	**-**	**(13,145)**	**23,889**
Note(s)	12	12	12			

* The translation deficit represents the cumulative position of translation gains and losses arising from the conversion of the net assets of the foreign subsidiary companies to the reporting currency. This is not relevant to the company.

The Bank of London Group Holdings Limited

Statement of Cash Flows for the year ended 30 December 2021

		Group		Company	
	Note(s)	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000
Cash flows from operating activities					
Cash generated from/(used in) operations	14	(8,287)	(3,356)	13,276	(3,342)
Cash flows from investing activities					
Additions to right-of-use assets	6	(5,386)	-	-	-
Additions to intangible assets	7	(1,080)	(350)	(283)	(350)
Investment in subsidiaries	8	-	-	(22,540)	-
Finance costs	6	(44)	-	-	-
Net cash from investing activities		**(6,510)**	**(350)**	**(22,823)**	**(350)**
Cash flows from financing activities					
Proceeds on share issue	12	16,314	15,750	16,314	15,750
Repayment of borrowings		-	(480)	-	(528)
Movement on right-of-use asset liability		5,320	-	-	-
Net cash from financing activities		**21,634**	**15,270**	**16,314**	**15,222**
Total cash movement for the year		**6,837**	**11,564**	**6,767**	**11,530**
Cash at the beginning of the year		11,609	45	11,552	22
Total cash at end of the year	10	**18,446**	**11,609**	**18,319**	**11,552**

General information

The Bank of London Group Holdings Limited (registered number 10511092) is a private company limited by shares incorporated and domiciled in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered office is 100 Bishopsgate, London, City of London, EC2N 4AG.

1. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate annual report and financial statements are set out below.

1.1 Basis of preparation

The consolidated financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") effective at the time of preparing these annual report and financial statements and the Companies Act 2006.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies. They are presented in Pound Sterling, which is the Group and company's functional currency and are rounded to the nearest thousand.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the Group and are accounted for in accordance with IFRS10 - Consolidated Financial Statements.

The Group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Investments in subsidiaries in the separate financial statements

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

1.2 Consolidation (continued)

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets Held For Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of the annual report and financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies.

Key sources of estimation uncertainty

The annual report and financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an intention to complete and use or sell it;
- there is an ability to use or sell it;
- it will generate probable future economic benefits;
- there are available technical, financial and other resources to complete the development and to use or sell the asset and
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses. These consist of patents, trademarks and a domain.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

1.4 Intangible assets (continued)

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, as disclosed in profit or loss, on a straight line basis, to their residual values as follows:

Item	Amortisation method	Average useful life
Patents, trademarks and other rights	Straight line	10 years
Capitalised development costs	Straight line	10 years
Domain	Straight line	10 years

1.5 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial

Instruments. Broadly, the classification possibilities, which are adopted by the Group, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

Financial liabilities:

- Amortised cost

Note 17 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 9).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

1.5 Financial instruments (continued)

Recognition and measurement

Trade and other receivables are recognised when the Group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the Pound Sterling equivalent using the spot rate at the end of each reporting period.

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management (note 17).

Trade and other payables

Classification

Trade and other payables (note 13), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Group or Company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 6).

Trade and other payables expose the Group to liquidity risk and possibly to interest rate risk. Refer to note 17 for details of risk exposure and management thereof.

1.5 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

Financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

Financial assets

The Group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied retrospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

1.6 Leases

The Group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

1.6 Leases (continued)

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense (note 4) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

Details of leasing arrangements where the Group is a lessee are presented in note 6 right-of-use assets.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of- use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 6).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is reassessed when there is a change in lease payments. Change in lease payments arising from a change in the lease terms or a change in the assessment of an option to purchase a leased asset. The revised lease payments are discounted using the Group's incremental borrowing rate at the date of reassessment when the rate implicit in the lease cannot be readily determined. The amount of the remeasurements of the lease liability is reflected as an adjustment to the carrying amount of the right-of-use asset. The exception being when the carrying amount of the right-of-use asset has been reduced to zero then any excess is recognised in profit or loss. Interest charged on the lease liability is included in finance costs.

Right-of-use assets

Lease payments included in the measurement of the right-of-use lease liability comprise the following:
- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

1.6 Leases (continued)

The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

For right-of-use assets which are depreciated over their useful lives, the useful lives are presented in the following table:

Item	Depreciation method	Average useful life
Property	Straight line	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.7 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.8 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.9 Translation of foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated financial statements are presented in Pound Sterling which is the Group's functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Pound Sterling, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the average exchange rate; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the Group receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the Group initially recognised the non-monetary item arising on payment or receipt of the advance consideration.

If there are multiple payments or receipts in advance, Group determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual report and financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised in other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised in other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss.

1.9 Translation of foreign currencies (continued)

Cash flows arising from transactions in a foreign currency are recorded in Pound Sterling by applying to the foreign currency amount the exchange rate between the Pound Sterling and the foreign currency at the date of the cash flow.

Investments in subsidiaries

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of share capital.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment adn then reclassified through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.10 Non-current assets (disposal groups) held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups are classified as held for distribution to owners when the entity is committed to distribute the asset or disposal group to the owners. This condition is regarded as met only when the distribution is highly probable and the asset (or disposal group) is available for immediate distribution in its present condition, provided the distribution is expected to be completed within one year from the classification date.

Non-current assets (or disposal groups) held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale (held for distribution to owners), or while it is part of a disposal group classified as such.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale (distribution to owners) are recognised in profit or loss.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• COVID-19 - Related Rent Concessions - Amendment to IFRS 16	01 June 2020	The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 31 December 2021 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	Unlikely there will be a material impact
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	01 January 2023	Unlikely there will be a material impact
• Definition of accounting estimates: Amendments to IAS 8	01 January 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	Unlikely there will be a material impact
• IFRS 17 Insurance Contracts	01 January 2023	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	01 January 2022	Unlikely there will be a material impact
• Reference to the Conceptual Framework: Amendments to IFRS 3	01 January 2022	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	Unlikely there will be a material impact
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	01 January 2022	Unlikely there will be a material impact
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 January 2022	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41	01 January 2022	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 4	01 January 2021	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7	01 January 2021	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9	01 January 2021	Unlikely there will be a material impact

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£ '000	**£ '000**	**£ '000**	**£ '000**

2. New Standards and Interpretations (continued)

• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16	01 January 2021	Unlikely there will be a material impact
• Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39	01 January 2021	Unlikely there will be a material impact

3. Other operating income

	Group 2021 £ '000	Group 2020 £ '000	Company 2021 £ '000	Company 2020 £ '000
R&D Tax claim received	146	-	146	-
Paycheck Protection Program loan forgiven	48	-	-	-
	194	**-**	**146**	**-**

The company successfully applied to HMRC for a research and development claim related to intellectual properties and patents, which have been created by developing technological portals that focus heavily on compliance, custodian services and security. This enables real time processing payments to be produced facilitating faster payments and enhanced settlement/clearing rates.

The Group applied for a Paycheck Protection Program loan during the initial stages of the COVID-19 pandemic. This was forgiven in the period under review.

4. Operating profit (loss)

Operating loss for the year is stated after charging (crediting) the following, amongst others:

	Group 2021 £ '000	Group 2020 £ '000	Company 2021 £ '000	Company 2020 £ '000
Auditors remuneration				
Audit fees	36	-	23	-
Financial statement preparation	16	-	11	-
Taxation services	2	-	1	-
	54	**-**	**35**	**-**

	Group 2021 £ '000	Group 2020 £ '000	Company 2021 £ '000	Company 2020 £ '000
Employee costs				
Salaries, wages, bonuses and other benefits	2,806	562	861	-
Retirement benefit plans: defined contribution expense	15	-	2	-
Total employee costs	**2,821**	**562**	**863**	**-**

The average number of persons employed during the year amounted to 19 (Group) and 2 (company)

	Group 2021	Group 2020	Company 2021	Company 2020
Average number of persons employed during the year				
Board	1	-	-	-
Executive	3	1	2	1
People	1	-	-	-
Risk and Compliance	1	-	-	-
Corporate Affairs and Communications	1	-	-	-
Technology	12	3	-	-
	19	**4**	**2**	**1**

	Group		Company	
	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000

4. Operating profit (loss) (continued)

Depreciation and amortisation				
Amortisation of intangible assets and depreciation on right-of-use asset	397	65	120	65

5. Taxation

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting loss	(11,225)	(4,045)	(7,141)	(3,252)
Tax at the applicable tax rate of 19% (2020: 19%)	(2,133)	(769)	(1,357)	(618)
Tax effect of adjustments on taxable income				
Deferred tax asset not recognised	2,133	769	1,357	618
	-	-	-	-

The Group has losses of approximately £11.23m to carry forward and utilise against future trading profits (2020: £4.05m). A deferred tax asset of £2,133,700 (2020: £769,500) has not been provided in respect of these losses due to the uncertainty over the timing of their recovery.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. As there are no deferred taxes being recognised, this has no impact on the financial statements.

6. Right-of-use assets

The Group leases some of its premises on operating lease. The average lease term is 5 years.

Details of premises where the property lease is in effect as at 30 December 2021 and the remaining term is as follows:

Description of premises	Physical address	Area	Remaining lease term at 30/12/2021	Escalation rate
New York Office	888 Seventh Avenue, New York	1,884sqm	55 months	0.00%

Net carrying amounts of right-of-use assets - Property

The carrying amounts of right-of-use assets are included in the following line items:

Property	5,107	-	-	-

Additions to right-of-use assets

Property	5,386	-	-	-

6. Right-of-use assets (continued)

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 4), as well as depreciation which has been capitalised to the cost of other assets.

	Group 2021 £ '000	Group 2020 £ '000	Company 2021 £ '000	Company 2020 £ '000
Leasehold property	277	-	-	-

Other disclosures

	Group 2021 £ '000	Group 2020 £ '000	Company 2021 £ '000	Company 2020 £ '000
Interest expense on lease liabilities relating to right-of-use property	44	-	-	-
Total cash outflow from leases	109	-	-	-

Lease liabilities relating to right-of-use assets - Property

Lease liabilities have been included in the lease liabilities relating to right-of-use assets - property line item on the statement of financial position.

The maturity analysis of lease liabilities is as follows:

	Group 2021 £ '000	Group 2020 £ '000	Company 2021 £ '000	Company 2020 £ '000
Within one year	1,313	-	-	-
Two to five years	4,610	-	-	-
	5,923	-	-	-
Less finance charges component	(603)	-	-	-
	5,320	**-**	**-**	**-**
Non-current liabilities	4,007	-	-	-
Current liabilities	1,313	-	-	-
	5,320	**-**	**-**	**-**

7. Intangible assets

Group	**2021**			**2020**		
	Cost	**Accumulated amortisation**	**Carrying value**	**Cost**	**Accumulated amortisation**	**Carrying value**
Patents, trademarks and other rights	37	(8)	29	22	(5)	17
Intangible assets under development	797	-	797	-	-	-
Capitalised development costs	408	(122)	286	408	(82)	326
Domain	840	(130)	710	572	(54)	518
Total	**2,082**	**(260)**	**1,822**	**1,002**	**(141)**	**861**

2021 £ '000
2020 £ '000

7. Intangible assets (continued)

Company	2021			2020		
	Cost	**Accumulated amortisation**	**Carrying value**	**Cost**	**Accumulated amortisation**	**Carrying value**
Patents, trademarks and other rights	37	(8)	29	22	(5)	17
Capitalised development costs	408	(122)	286	408	(82)	326
Domain	840	(130)	710	572	(54)	518
Total	**1,285**	**(260)**	**1,025**	**1,002**	**(141)**	**861**

Reconciliation of intangible assets - Group - 2021

	Opening balance	Additions	Amortisation	Total
Patents, trademarks and other rights	17	15	(3)	29
Intangible assets under development	-	797	-	797
Capitalised development costs	326	-	(40)	286
Domain	518	268	(76)	710
	861	**1,080**	**(119)**	**1,822**

Reconciliation of intangible assets - Group - 2020

	Opening balance	Additions	Amortisation	Total
Patents, trademarks and other rights	19	-	(2)	17
Capitalised development costs	367	-	(41)	326
Domain	190	350	(22)	518
	576	**350**	**(65)**	**861**

Reconciliation of intangible assets - Company - 2021

	Opening balance	Additions	Amortisation	Total
Patents, trademarks and other rights	17	15	(3)	29
Capitalised development costs	326	-	(40)	286
Domain	518	268	(76)	710
	861	**283**	**(119)**	**1,025**

2021 £ '000
2020 £ '000

7. Intangible assets (continued)

Reconciliation of intangible assets - Company - 2020

	Opening balance	Additions	Amortisation	Total
Patents, trademarks and other rights	19	-	(2)	17
Capitalised development costs	367	-	(41)	326
Domain	190	350	(22)	518
	576	**350**	**(65)**	**861**

Other information

The intangible assets under development has arisen as a result of employee and subcontractor costs incurred related to the design of an asset to be utilised by the Group in future periods.

8. Interests in subsidiaries including consolidated structured entities

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

Company

Name of company	Held by	% voting power 2021	% voting power 2020	% holding 2021	% holding 2020	Carrying amount 2021	Carrying amount 2020
The Bank of London Group Limited (London. United Kingdom)	The Bank of London Group Holdings Limited	100.00 %	100.00 %	100.00 %	100.00 %	22,540	-
TBOL Inc. (United States of America)	The Bank of London Group Holdings Limited	100.00 %	100.00 %	100.00 %	100.00 %	-	-
TBOL Technologies Inc. (United States of America)	TBOL Inc.	100.00 %	100.00 %	100.00 %	100.00 %	-	-
FSP Technologies Incorporated (United States of America)	TBOL Inc.	100.00 %	100.00 %	100.00 %	100.00 %	-	-
Cortex MCP Inc. (United States of America)	TBOL Inc.	100.00 %	100.00 %	100.00 %	100.00 %	-	552
						22,540	552

	Group		Company	
	2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000

9. Trade and other receivables

Financial instruments:				
Amounts owed by group undertakings	-	-	6,566	2,973
Deposit related to right-of-use asset	328	-	-	-
Non-financial instruments:				
Prepayments	51	-	7	-
Total trade and other receivables	**379**	**-**	**6,573**	**2,973**

10. Cash and cash equivalents

Cash and cash equivalents consist of:

GBP	18,319	11,552	18,319	11,552
USD	127	57	-	-
	18,446	**11,609**	**18,319**	**11,552**

11. Discontinued operations or disposal groups or non-current assets held for sale

The Group has elected to discontinue its investment in Cortex MCP Inc. in the United States of America. The disposal of the asset to Cortex Commerce LLC is in progress and is expected to be finalised during the last quarter of 2022 pending finalisation of the documentation by the legal representatives of the contracting parties.

The sale has not resulted in a loss for the group before tax and any related selling costs.

12. Equity

	Reconciliation of number of shares issued (all fully paid)			
Reported as at 01 January 2021	77,449	72,713	77,449	72,713
Issue of shares – ordinary shares	2,404	4,736	2,404	4,736
	79,853	**77,449**	**79,853**	**77,449**

Issued share capital	**£ '000**	**£ '000**	**£ '000**	**£ '000**
Ordinary	80	77	80	77
Share premium	36,954	20,643	36,954	20,643
	37,034	**20,720**	**37,034**	**20,720**

13. Trade and other payables

Trade payables	1,588	1,131	503	578
Amounts owed to group undertakings	-	-	22,222	-
Social security, taxes and wages	427	-	160	-
Other liabilities	-	48	-	-
Accrued expenses	2,131	92	1,683	92
	4,146	**1,271**	**24,568**	**670**

		Group		Company	
		2021 £ '000	2020 £ '000	2021 £ '000	2020 £ '000

13. Trade and other payables (continued)

Related party

Included in trade and other payables is an amount of £555,908 (2020: £552,315) due to Uphold Limited of which A G Watson is a shareholder. The liability has arisen as a result of TBOL Inc. acquiring the shareholding of Cortex MCP Inc. in November 2018. The balance was settled on 29 June 2022.

14. Cash generated from/(used in) operations

	Note(s)	Group 2021 £ '000	Group 2020 £ '000	Company 2021 £ '000	Company 2020 £ '000
Loss before taxation		(11,225)	(4,045)	(7,141)	(3,252)
Adjustments for:					
Depreciation and amortisation	6 & 7	397	65	120	65
Finance costs	6	44	-	-	-
Other non-cash items		1	-	-	-
Changes in working capital:					
Trade and other receivables		(379)	-	(3,600)	(800)
Trade and other payables		2,875	624	23,897	645
		(8,287)	**(3,356)**	**13,276**	**(3,342)**

15. Related parties

Relationships	
Subsidiaries	The Bank of London Group Limited TBOL Inc. TBOL Technologies Inc. FSP Technologies Inc. Cortex MCP Inc.
Similar shareholders	Uphold Limited
Members of key management	A G Watson R Skitt (appointed 1 May 2021) J Ditmore (appointed 1 August 2020) T Holmes (appointed 1 July 2022)

Related party balances

The only related party balances at 30 December 2021 are those disclosed under the trade and other receivables and the trade and other payables notes respectively. Refer to notes 9 and 13 for further details.

16. Directors' emoluments

Directors' emoluments amounted to £45,317 with the highest individual remuneration amounting to £28,348.

17. Financial instruments and risk management

Categories of financial assets

Group - 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	9	378	378	378
Cash and cash equivalents	10	18,446	18,446	18,446
		18,824	**18,824**	**18,824**

Group - 2020

	Note(s)	Amortised cost	Total	Fair value
Cash and cash equivalents	10	11,609	11,609	11,609

Company - 2021

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other receivables	9	6,566	7	6,573	6,573
Cash and cash equivalents	10	18,319	-	18,319	18,319
		24,885	**7**	**24,892**	**24,892**

Company - 2020

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	9	2,973	2,973	2,973
Cash and cash equivalents	10	11,552	11,552	6,736
		14,525	**14,525**	**9,709**

Categories of financial liabilities

Group - 2021

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	13	4,142	-	4,142	4,142
Lease liabilities relating to right-of-use assets	6	-	5,320	5,320	5,320
		4,142	**5,320**	**9,462**	**9,462**

Group - 2020

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	1,269	1,269	1,269

17. Financial instruments and risk management (continued)

Company - 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	24,567	24,567	24,567

Company - 2020

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	669	669	669

Risk Management

The Group's risk approach is embedded in its core values, which means following the applicable rules, and doing the right thing, always. The strategic business model means the Group faces a number of risks and it recognises that identifying, assessing, managing and reporting on those risks is critical to its success. Strong, effective risk management enables the Group to execute its strategic objectives while being compliant with all relevant rules and regulations ensuring the risk to the Group and its customers is always minimised.

Risk Management Framework

During the period, the Group's approach to risk management supported the wider business strategy.

Principal Risks

Below is a summary of key risk types applicable to the Group:

- **Market Risk** - the risk that changes in market conditions may adversely impact the values of the assets or liabilities or otherwise negatively impact earnings,
- **AML and Financial Crime Risk**
- **Capital Adequacy Risk** - the risk of the Company being unable to meet its capital requirements
- **Conduct Risk** - the risk that the Company may have a negative impact on consumers, markets or competition
- **Interest Rate Risk in the Banking Book (IRRBB)** - the risk to earnings or capital arising from movement of interest rates
- **Operational Risk (incl. IT Risk)** - the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events
- **Strategic Risk** - the risk of external or internal events preventing the Company from achieving its objectives as laid out in the business plan
- **Reputational Risk**
- **Liquidity Risk** - the risk that the Company will encounter difficulties in meeting its obligations as they become due.

17. Financial instruments and risk management (continued)

The capital structure and gearing ratio of the Group at the reporting date was as follows:

Lease liabilities		5,320	-	-	-
Trade and other payables	13	4,142	1,269	24,567	669
Total borrowings		**9,462**	**1,269**	**24,567**	**669**
Cash and cash equivalents	10	(18,446)	(11,609)	(18,319)	(11,552)
Net borrowings		**(8,984)**	**(10,340)**	**6,248**	**(10,883)**
Equity		16,846	11,199	23,889	14,716
Gearing ratio		(53)%	(92)%	26 %	(74)%

Financial risk management

Liquidity risk

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2021

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Lease liabilities relating to right-of-use assets		-	1,313	2,694	4,007	4,007
Current liabilities						
Trade and other payables	13	4,142	-	-	4,142	4,142
Lease liabilities relating to right-of-use assets		1,313	-	-	1,313	1,313
		(5,455)	**(1,313)**	**(2,694)**	**(9,462)**	**(9,462)**

Group - 2020

	Less than 1 year	Total	Carrying amount
Current liabilities			
Trade and other payables	1,269	1,269	1,269

17. Financial instruments and risk management (continued)

Company - 2021

	Note	Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables		24,566	24,566	24,567

Company - 2020

	Note	Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	13	669	669	669

Foreign currency risk

The Group is exposed to foreign currency risk as a result of certain transactions and borrowings which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising foreign forward exchange contracts where necessary. The foreign currencies in which the Group deals primarily are US Dollars.

Exposure in Pound Sterling

The net carrying amounts, in Pound Sterling, of the various exposures, are denominated in the following currencies. The amounts have been presented in Pound Sterling by converting the foreign currency amounts at the closing rate at the reporting date:

US Dollar exposure:

Non-current assets:					
Trade and other receivables	9	8,513	3,633	-	-

Interest rate risk

The Group is not exposed to fluctuations in interest rates as at 30 December 2021.

18. Events after the reporting period

The Group incorporated another company, TBOL (N.I.) Limited on 2 February 2022. The company has been incorporated in Belfast, Northern Ireland.

19. Commitments

The Company is in process of joining a pension scheme and the employer's portion of the contributions have been accrued. There was no contribution withheld from the employees of the Company. As soon as the scheme becomes active, the Company will settle the contributions accordingly.

20. Comparative figures

The Bank of London Group Limited's accounting period was shortened to a period 4 of months in the individual financial statements to be in line with that of its fellow subsidiaries and holding company.