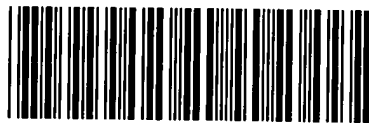


Registered number: 10978538

MONETLEY LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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MONETLEY LTD

COMPANY INFORMATION

Directors	Dimitrijs Lapkovskis Natalja Medvede
Registered number	10978538
Registered office	2nd Floor Berkeley Square House Berkeley Square London W1J 6BD
Independent auditors	Simmons Gainsford LLP Chartered Accountants & Statutory Auditors 14th Floor 33 Cavendish Square London W1G 0PW

MONETLEY LTD

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MONETLEY LTD

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

Introduction

The directors present their Strategic Report and financial statements for the year ended 30 September 2021.

Business review

The Company is an electronic money institution authorised by the Financial Conduct Authority of the United Kingdom (the "FCA") under the FCA reference number 900921.

The Company is established in the United Kingdom (the "UK") under the registered company number 10978538, with registered office address at 2nd Floor, Berkeley Square House, Berkeley Square, London, United Kingdom, W1J 6BD.

The revenue and net loss for the financial year amounted to £170,234 (2020 - £NIL) and £80,186 (2020 - £6,785 as restated) as set out in the Statement of Comprehensive Income on page 13.

The Company is authorised to provide the following services to the customers:

- electronic money issue; and
- payment services.

The above mentioned services are promoted by the Company in the post balance sheet period.

The Company provides its services both for private individuals and corporate entities. We mainly are focused on customers from the United Kingdom, European Union and European Economic Area jurisdictions.

The Company's customers composition is not a wide one. This is so because the Company's directors have chosen a modest business strategy, applying strict and comprehensive know your customer (KYC) procedures for prospective and existing customers. Company's risk appetite may be defined as low to medium.

The Company's senior management continues to work hard on its business development.

The Company's present short-term business strategy is focused on wider promotion and recognition of the Company's services and Monetley business image, launch of new products such as Monetley payment card services, broadening of bank-partners and business-partners network and the Company's membership with international payment systems.

MONETLEY LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

Principal risks and uncertainties

In order to achieve successful business realisation of our business strategy, the Company has defined and assessed the following risks, which may have a negative impact on the Company business strategy development:

- **BREXIT risk** - the main impact is reflected in: (i) restricted access to EU markets; (ii) reduction of customers composition; and (iii) additional professional advisory costs to enable the Company's full compliance with EU/EEA cross border payments regulatory regime.

Due to BREXIT, the Company's access to the EU market is essentially limited which causes a reduction of potential customers growth, thus reducing provided services productivity and net income.

- **COVID-19 risk** - the main impact is reflected in: (i) overall global economic development reduction; (ii) customers activity reduction; (iii) cross boarding restrictions negatively impact business coordination; (iv) organisation and maintenance of staff remote work; and (v) staff health recovery costs.

The Company has not suffered too much from COVID-19 due to remote services rendering possibility - this applies both to its staff, which is effectively performing their work duties remotely, and its customers with the provision of a friendly online banking solution, which allows customers a safe and easy way to apply for services and receive the Company's services to the fullest possible extent.

- **Prices and rates fluctuation risk** - the main impact is reflected in: (i) negative impact to global markets due to (a) military conflicts; (b) political confrontations; (c) economic embargoes and sanctions; and (d) COVID-19.

The Company is not affected by global market prices fluctuations due to the nature of services provided and due to the fact that it is not involved in any investment activity and also it does not hold any financial investments.

- **Currency risk** – the Company provides multi-currency services and the main impact is reflected in: (i) fluctuations in global market and stocks; (ii) import and export cycle breaks; (iii) jurisdiction risk (restrictive nature changes in applicable laws and regulations); and (iv) systems risk (worldwide payment systems functionality interruption, disruption or collapse).

The Company at the present moment provides its services in two currencies EUR and GBP, thus the Company is not influenced by currency risk.

- **Liquidity risk** - the main impact is reflected in: (i) its inability to meet the obligations undertaken (whether real or perceived); and (ii) threats to its financial position or existence.

The Company supports its business needs by making sufficient investments in IT structure and software development and maintenance, which is a highly cost investments, and by obtaining sufficient financial support from its shareholders.

Also the Company needs to employ sufficient amount of staff members. The Company's business specifically requires to engage highly educated and skilled professionals. Besides, the Company is under mandatory obligation to provide continuous staff education and training. Amongst the review of the Company's other costs, special attention is given to its marketing promotion and advisory expenses. In consideration of the Company having already taken on a small number of customers and its shareholder has been and will continue to provide financial support, the management is confident that the Company is able to achieve its business goals and expected financial returns.

During the year the company allotted 250,000 new shares, thus Company's capital at the end of the year consists of 600,000 ordinary shares at EUR1 each.

MONETLEY LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

- **IT systems and software risk** - the main impact is reflected in: (i) probability that the customer will incur losses as a result of damage to information systems; electronic systems or remote online banking systems; (ii) unauthorised access to the systems by third parties (using credentials of the customer or otherwise); and (iii) other external circumstances (cyber-attacks, worldwide nets interruptions).

During the financial period no IT systems and software risk incidents were established. The Company applies strong two factors authentication for its customers and all respective security measures (login, password, firewalls, fraud monitoring tools) in order to ensure optimal security with its internal systems and safeguard customers' funds held by it.

- **Risk of regulatory changes, including tax risk** - the main impact is reflected in: (i) loss related to amending certain national laws and regulations (legal regulation); (ii) entry into force of new laws and regulations; and (iii) changes in law enforcement practices that may result in loss for the customer.

The Company has a strong compliance team comprising highly educated and experienced compliance experts. During the year the Company also entered into contractual relationship with advanced experienced consultants Compliance Services Ltd, well known in UK regulatory and compliance field. These two factors allow the Company to stay fully compliance with national and supra-national regulatory requirements.

- **Operational risk** - the main impact is reflected in: (i) loss resulted from inadequate or failed internal processes, staff, controls, systems or from external events.

The Company is fully regulatory compliant. The Company continuously monitors its business and IT processes and seek ways to improve its internal control mechanisms to provide all internal processes effectiveness and risk-based management.

- **Country risk** - the main impact is reflected in: (i) adverse events in a particular country or its region that directly or indirectly affect business operations of the Company.

At the end of the reported period no country risk events were established. The Company applies sufficient technical and human resources to ensure country risk management in a due manner. Company's internal system is configured in a manner which accurately identifies and alerts countries being under financial sanctions, FATF/OFAC countries or countries identified as 'prohibited' or 'restricted' by the Company's or 'restricted' by the Company's internal AML/CTF rules and procedures.

All the Company's internal AML/CTF rules and procedures are regularly reviewed and updated, and are fully compliant with the regulatory requirements and in accordance with the Company's set risk appetite. Experienced MLRO is appointed and controls all AML/CTF processes with the Company on a day-to-day manner.

The Company in contractual relationship with reliable partners which helps to ensure the Company's internal processes compliance being at a high level.

- **Counterparty or default risk** - the main impact is reflected in: (i) loss of counterparties in certain circumstances whereby they are unable or refuse to perform its obligations to the Company. At the end of the reported period no counterparty or default risk events were established.

To avoid occurrence of such risk, the Company's senior management would always aim to spread its counterparty network. Counterparties pre-check parameters have been incorporated in the Company's internal documents, all counterparties are under comprehensive KYC and financial stability checks to avoid risk of default.

- **Risk of litigation** - the main impact is reflected in: (i) compensation or damages arisen on litigations brought by the Company's customers and other stakeholders.

MONETLEY LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

During the year no risk of litigation events were established.

- **Information risk** - the main impact is reflected in: (i) complaints from customers due to incorrect or incomplete information about the Company's service terms.

The Company is customer friendly and continuously monitors its internal processes to ensure it is fully regulatory compliance and ability to furnish customers with full and accurate information about the Company and its services in a timely manner, thus protecting its customers' legitimate interests and promoting Monetley business image. All information is available at Company's home page www.monetley.com which also includes our complaint procedures.

During the year no information risk events were established.

- **Risk of means of communication** - the main impact is reflected in: (i) loss due to malfunctions, damage or errors of information, electronic or remote service systems as well as unauthorised access by third parties; and (ii) complaints from customers due to lack of communication.

The Company applies two factors authentication for its on-line banking platform, as well as SSL connection, firewalls, passwords and logins to ensure customers' data safety. Advanced security tools are in place, which are regularly reviewed and updated. An experience Head of IT is employed who ensures all IT security issues control on a day-to-day basis. Such system is embedded with high level of security to ensure sufficient regulatory compliance over personal data protection.

The Company also holds several e-mails which provides customers with contact points for answering customers' questions.

During the year no events of risk of means of communication were established.

- **Other risks** – the Company's business operations may be affected by other risks that cannot be fully anticipated or controlled. For example, occurrence of various force majeure circumstances (such as natural disasters, hostilities, strikes, etc.), national sanctions and court judgments.

The above list of risks is not exhaustive and the Company applies effective mechanisms for timely identification of risks and effective risk management. When new risks are identified and assessed, the list of risks shall be updated accordingly.

Financial key performance indicators

The financial indicators of the Company are as follows:

Net loss: £80,186 (2020 - loss of £6,785 as restated)

Net assets of £303,754 (2020 - £170,948)

The Company's financial results are in line with senior management financial forecasts for the year ended 30 September 2021.

Other key performance indicators

The management considers there are no other key performance indicators.

MONETLEY LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

Section 172 (1) Statement

The Board of Directors fulfils its duties to act in good faith to promote business success of the Company. This section describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) Companies Act 2006 in exercising their duty to promote the success of the Company for the benefit of its stakeholders as a whole. We consider the company's major stakeholders to be our customers, employees, suppliers, and shareholders.

The directors of the Company would carefully examine each issue and all supporting documents when making decisions. If necessary, responsible staff members are invited to proceed with necessary comments. The decisions' potential short and long-term impact to the Company's financial wellbeing and good standing, and profitability and effectiveness are carefully assessed by the Directors. Also, possible risks are duly assessed.

The directors ensure that all decisions taken are robust governance and are taken in strict compliance with applicable legal framework.

The directors have huge respect to its employees' interests and rights and place focus on staff motivation. Care is given to its staff by providing comfortable and safe working conditions. Our staff members are encouraged to work to their normal working daily hours of 8 hours, with several breaks taken by staff each day. High quality working equipment is provided to the staff members, with safety measures being observed in working space.

The Company provides "remote working place" opportunities as a result of the COVID-19 pandemic to protect its staff health and well-being. Various training opportunities are being provided to staff members which are paid for by the Company. Small incentives and gifts are provided to staff and their family members on special occasions.

Special attention is given by the Company to protect its customers' legitimate interests. Customers' data protection is one of Monetley's core obligations.

We protect customers' funds via segregation of customers' funds from Monetley's own funds. We use high standard IT security tools (e.g. strong customers authentication, SSL connection, firewalls, passwords and logins) to keep our internet connection secure and safeguarding any sensitive data transmission in order to prevent unauthorised third party access to customers' funds, external cyber-attacks.

We provide our customers in a timely manner information regarding our services and 'honest' cooperation conditions. All information is provided in simple language and is readily available to our customers.

We provide to our customers communication channels by means of which customers may find it easy get the necessary support and FAQs.

The Company choose its cooperation partners and suppliers carefully. We apply strict due diligence procedures before establishing business relations. We provide to our counterparties fair cooperation conditions, all our legal papers are in strict compliance with applicable legal acts and good practice standards. Unfair competition is excluded. We ensure confidential supplier information are used and stored safely.

Monetley is an environmental and social friendly organisation with the use of electronic documents highly encouraged within the business.

MONETLEY LTD

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

Dimitrijs Lapkovskis

Dimitrijs Lapkovskis
Director

Date: 28/9/2022 | 07:11 PDT

MONETLEY LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Directors present their report and the financial statements for the year ended 30 September 2021.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

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

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

Principal activity

The principal activity of the Company is that of an electronic money institution.

Business review

The directors have provided a business review and information of the Company's future developments in the Strategic Report.

Results and dividends

The loss for the year, after taxation, amounted to £80,186 (2020 - loss £6,785).

During the year the company paid a dividend of £Nil (2020: £Nil).

Directors

The Directors who served during the year were:

Viktors Kazanskis (resigned 5 November 2020)
Luize Berzina (resigned 14 October 2020)
Dimitrijs Lapkovskis (appointed 7 October 2020)
Natalja Medvede (appointed 6 October 2020)

MONETLEY LTD

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

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

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

Dimitrijs Lapkovskis

Dimitrijs Lapkovskis
Director

Date: 28/9/2022 | 07:11 PDT

MONETLEY LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONETLEY LTD

Opinion

We have audited the financial statements of Monetley Ltd (the 'Company') for the year ended 30 September 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

MONETLEY LTD

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 7, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

MONETLEY LTD

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Company Law, tax and pension legislation; distributable profits legislation; and Financial Conduct Authority ("FCA") rules;
- the timing of the recognition of commercial income;
- management bias in selecting accounting policies and determining estimates; and
- recoverability of debtors.

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

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

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

MONETLEY LTD

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

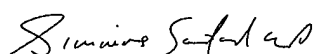
- health and safety certificates; fire assessment reports; and the correspondence with the Financial Conduct Authority ("FCA");
- challenging assumptions made by management in their specific accounting policies and estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue;
 - assessing the recovery of debtors in the year since the balance sheet date and challenging assumptions made by management regarding the recovery of balances which remain outstanding;
 - reviewing the financial statements for compliance with the relevant disclosure requirements;
 - performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
 - reviewing the correspondence with HMRC.

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

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Shilen Manek ACA FCCA (Senior statutory auditor)

for and on behalf of

Simmons Gainsford LLP

Chartered Accountants

Statutory Auditors

14th Floor
33 Cavendish Square

London
W1G 0PW

Date: 28/9/2022 | 15:28 BST

MONETLEY LTD

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	2021 £	As restated 2020 £
Turnover	4	170,234	-
Cost of sales		(24,028)	(1,058)
Gross profit/(loss)		<u>146,206</u>	<u>(1,058)</u>
Administrative expenses		(226,389)	(982)
Operating loss	5	<u>(80,183)</u>	<u>(2,040)</u>
Interest payable and similar expenses		(3)	(4,745)
Loss before tax		<u>(80,186)</u>	<u>(6,785)</u>
Loss for the financial year		<u><u>(80,186)</u></u>	<u><u>(6,785)</u></u>
 Total comprehensive income for the year		 <u><u>(80,186)</u></u>	 <u><u>(6,785)</u></u>

The notes on pages 19 to 26 form part of these financial statements.

MONETLEY LTD
REGISTERED NUMBER: 10978538

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Note	2021 £	As restated 2020 £
Current assets			
Debtors: amounts falling due within one year	11	79,532	1,316
Cash at bank and in hand	12	15,322,283	236,343
		<u>15,401,815</u>	<u>237,659</u>
Creditors: amounts falling due within one year	13	(15,098,061)	(66,711)
Net current assets		<u>303,754</u>	<u>170,948</u>
Total assets less current liabilities		<u>303,754</u>	<u>170,948</u>
Net assets		<u><u>303,754</u></u>	<u><u>170,948</u></u>
Capital and reserves			
Called up share capital	14	516,300	303,308
Profit and loss account	15	(212,546)	(132,360)
		<u>303,754</u>	<u>170,948</u>

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

Dimitrijs Lapkovskis

Dimitrijs Lapkovskis
Director

Date: 28/9/2022 | 07:11 PDT

The notes on pages 19 to 26 form part of these financial statements.

MONETLEY LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2020 (as previously stated)	326,749	(155,801)	170,948
Prior year adjustment	(23,441)	23,441	-
At 1 October 2020 (as restated)	<u>303,308</u>	<u>(132,360)</u>	<u>170,948</u>
Comprehensive income for the year			
Loss for the year	-	(80,186)	(80,186)
Total comprehensive income for the year	<u>-</u>	<u>(80,186)</u>	<u>(80,186)</u>
Shares issued during the year	212,992	-	212,992
At 30 September 2021	<u><u>516,300</u></u>	<u><u>(212,546)</u></u>	<u><u>303,754</u></u>

The notes on pages 19 to 26 form part of these financial statements.

MONETLEY LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2019	46,327	(125,575)	(79,248)
Comprehensive income for the year			
Loss for the year (as restated)	-	(6,785)	(6,785)
Total comprehensive income for the year (as restated)	-	(6,785)	(6,785)
Shares issued during the year (as restated)	256,981	-	256,981
At 30 September 2020 (as restated)	303,308	(132,360)	170,948

The notes on pages 19 to 26 form part of these financial statements.

MONETLEY LTD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 £	As restated 2020 £
Cash flows from operating activities		
Loss for the financial year	(80,186)	(6,785)
Adjustments for:		
Interest paid	3	4,745
(Increase)/decrease in debtors	(78,216)	1,022
Increase in creditors	15,031,350	58,376
Net cash generated from operating activities	<u>14,872,951</u>	<u>57,358</u>
Cash flows from financing activities		
Issue of ordinary shares	212,992	256,981
Repayment of other loans	-	(75,239)
Interest paid	(3)	(4,745)
Net cash used in financing activities	<u>212,989</u>	<u>176,997</u>
Net increase in cash and cash equivalents	<u>15,085,940</u>	<u>234,355</u>
Cash and cash equivalents at beginning of year	236,343	1,988
Cash and cash equivalents at the end of year	<u><u>15,322,283</u></u>	<u><u>236,343</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	15,322,283	236,343
	<u><u>15,322,283</u></u>	<u><u>236,343</u></u>

The notes on pages 19 to 26 form part of these financial statements.

MONETLEY LTD

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	At 1 October 2020 £	Cash flows £	At 30 September 2021 £
Cash at bank and in hand	236,343	15,085,940	15,322,283
	<u>236,343</u>	<u>15,085,940</u>	<u>15,322,283</u>

The notes on pages 19 to 26 form part of these financial statements.

MONETLEY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

Monetley Ltd is a company incorporated in England and Wales, registration number 10978538. The address of the registered office 2nd Floor, Berkeley Square House, Berkeley Square, London, W1J 6BD.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The management has reviewed the foreign exchange translation of the company's share capital issued in the prior year and identified that its translated GBP value was overstated. The effect of the resulted restatements being made to correct the comparative results are given in Note 16 of these financial statements.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis on the assumption that continued financial support will be forthcoming from its shareholder.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

MONETLEY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Pensions

Defined contribution pension plan

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

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

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2.7 Debtors

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

2.8 Cash and cash equivalents

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

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

2.9 Creditors

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

2.10 Financial instruments

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

MONETLEY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.10 Financial instruments (continued)

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

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

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

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

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

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

MONETLEY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

4. Turnover

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

	2021 £	2020 £
Payment transactional services	170,234	-
	<u>170,234</u>	<u>-</u>

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

	2021 £	As restated 2020 £
Exchange differences	6,001	(12,485)
	<u>6,001</u>	<u>(12,485)</u>

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	6,000	3,750
	<u>6,000</u>	<u>3,750</u>

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

Taxation compliance services	500	500
All other services	500	1,250
	<u>1,000</u>	<u>1,750</u>

MONETLEY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. Employees

	2021 £	2020 £
Wages and salaries	132,546	-
Social security costs	17,321	-
Cost of defined contribution scheme	1,180	-
	<u>151,047</u>	<u>-</u>

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

	2021 No.	2020 No.
Directors	2	2
Administrative	8	-
	<u>10</u>	<u>2</u>

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	28,845	-
Company contributions to defined contribution pension schemes	579	-
	<u>29,424</u>	<u>-</u>

During the year retirement benefits were accruing to 2 Directors (2020 - NIL) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2021 £	2020 £
Other loan interest payable	3	4,745
	<u>3</u>	<u>4,745</u>

MONETLEY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

10. Taxation

	2021 £	2020 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	As restated 2020 £
Loss on ordinary activities before tax	(80,186)	(6,785)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(15,235)	(1,289)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	156	38
Unrelieved tax losses carried forward	15,079	1,251
Total tax charge for the year	-	-

The Company has tax losses of £234,965 carried forward (2020: £155,601) which may be offset against the Company's future taxable profits.

Factors that may affect future tax charges

In the March 2021 Budget, it was announced that the Corporation Tax rate will increase to 25% for larger companies from 1 April 2023. Subsequent to the year end the future increase in corporation tax has been reversed.

MONETLEY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

11. Debtors

	2021 £	2020 £
Trade debtors	24,094	-
Other debtors	2,214	-
Prepayments and accrued income	53,224	1,316
	<u>79,532</u>	<u>1,316</u>

12. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	15,322,283	236,343
	<u>15,322,283</u>	<u>236,343</u>

Included in cash at bank is client funds in the total of £15,040,236 (2020 - £66,293), with the related liability of the same amount included in other creditors.

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	13,530	418
Other taxation and social security	12,566	-
Other creditors	15,061,586	66,293
Accruals and deferred income	10,379	-
	<u>15,098,061</u>	<u>66,711</u>

MONETLEY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

14. Share capital

	2021 £	As restated 2020 £
Allotted, called up and fully paid		
600,000 (2020 - 350,000) Ordinary shares of €1.00 each	516,300	303,308

The company issued 250,000 ordinary shares at par value during the year.

15. Reserves

Profit and loss account

The profit and loss account consists of accumulated profits and losses.

16. Prior year adjustment

The management has reviewed the foreign exchange translation of the company's share capital issued in the prior year and identified that its translated GBP value was overstated. The change results in restatements being made to the comparatives in these financial statements with an increase of £23,441 in foreign exchange gains and a reduction of £23,441 in share capital. The net impact on the comparative financial results is a reduction of £23,441 in net loss and profit and loss reserves respectively, while net liabilities remain unchanged.

17. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,180 (2020 - £NIL).

Contributions totalling £822 (2020 - £NIL) were payable to the fund at the balance sheet date and are included in creditors.

18. Related party transactions

At the balance sheet date, the Company owed £50 (2020: £3,650) to its shareholder who is also a company director.

19. Controlling party

The controlling party of the Company is Dimitrijs Lapkovskis.