

**REGISTERED NUMBER : 11790385 (England and Wales)**

**Annual Report and  
Consolidated Financial Statements  
for the Year Ended 31 December 2021  
for  
MILLENNIUM GLOBAL TREASURY SERVICES LIMITED**

**MillTechFX**  
by Millennium Global



# Millennium Global Treasury Services Limited

## Contents

Company Information.....	3
Strategic Report.....	4
Report of the Directors.....	8
Independent auditor's report .....	10
Consolidated Statement of Profit or Loss .....	14
Consolidated Statement of Profit or Loss and Other Comprehensive Income .....	15
Consolidated Statement of Financial Position .....	16
Company Statement of Financial Position.....	17
Consolidated Statement of Changes in Equity .....	18
Company Statement of Changes in Equity.....	18
Consolidated Statement of Cash Flows .....	19
Notes to the Consolidated Statement of Cash Flows .....	20
Notes to the Consolidated Financial Statements.....	21
1. Statutory information.....	21
2. Accounting policies .....	21
3. Revenues .....	25
4. Employees and directors .....	25
5. Net finance costs .....	25
6. Loss before income tax.....	26
7. Income tax.....	26
8. Loss of parent company.....	26
9. Intangible assets.....	27
10. Property, plant and equipment.....	28
11. Investments .....	29
12. Trade and other receivables .....	29
13. Cash and cash equivalents.....	29
14. Called up share capital .....	30
15. Reserves .....	30
16. Trade and other payables .....	30
17. Ultimate parent company .....	31
18. Related party disclosures.....	31
19. Share based payment.....	31

## **Millennium Global Treasury Services Limited**

### **Company Information** for the Year Ended 31 December 2021

<b>DIRECTORS:</b>	M D Huttman, Chairman L Scott-Smith, Non-Executive Director G Hochberg, Non-Executive Director E M Huttman, Chief Executive Officer B D G Delacave, Chief Financial Officer K M Gibson-Stark, Head of Legal & Compliance
<b>REGISTERED OFFICE:</b>	Cleveland House 33 King street London SW1Y 6RJ
<b>REGISTERED NUMBER:</b>	11790385 (England and Wales)
<b>INDEPENDENT AUDITORS:</b>	BDO LLP 55 Baker Street London W1U 7EU
<b>BANKERS</b>	HSBC 8 Canada Square London E14 5HQ

## **Millennium Global Treasury Services Limited**

### **Strategic Report**

for the Year Ended 31 December 2021

The Directors present their strategic report for the Millennium Global Treasury Services Limited ("MGTS") group for the year ended 31 December 2021.

### **PRINCIPAL ACTIVITY**

Millennium Global Treasury Services Limited (trading as "MillTechFX") delivers competitive foreign exchange ("FX") market access via a multi-bank platform to provide FX execution and payment services to asset managers, institutions and corporates.

MillTechFX has created and delivered an on-line multi-bank platform which provides transparent, low-cost FX execution and currency risk management services offering competing FX prices from a multi-bank panel. Our mission is to marry FX market access and knowledge with intelligently designed financial technology, to deliver high quality and transparent FX and third party payment services, to a large community of market participants that we consider are currently underserved and overcharged.

Additionally, MillTechFX offers currency expertise, including risk management tools such as hedging, currency portfolio management and access to advisory services including macro-currency research supported by a team of highly experienced foreign exchange professionals.

### **BUSINESS REVIEW**

In March 2021, on receiving FCA approval, the business successfully raised a further £19.1 million of external investment from its parent company Millennium Global Treasury Services Holdings Limited, bringing the total capital invested to £22.7 million. This has enabled a significant scaling of our activities across all areas of the business.

In May 2021, MGTS became a group of two companies with the launch of its wholly-owned French subsidiary, MillTechFX Europe SAS ('MTE'). MTE undertook the regulatory approval process with AMF Autorité des marchés financiers and ACPR Autorité de contrôle prudentiel et de résolution, both of which were successfully completed by March 2022. This will provide the group with the necessary permissions to promote our solution across the European market.

In July 2021 MGTS was successfully registered as an IB (introducing broker) with the USA's NFA (National Futures Association) in America, adding to its existing CTA (Commodity Trading Advisor) licence.

During the year we increased our staff by 29 people, bringing the total number of employees to 55 of which 22% are female, 42% under 30 years old and 15% non-white.

In September 2021 we upgraded our client execution platform and, after undergoing rigorous testing, successfully launched it to our clients. We have been working on a wide range of technology improvements and cyber security measures, appointed a CISO (Chief Information Security Officer) and have been working towards ISO 27001 accreditation. The new platform resulted in the demise of our initial solution thanks to which we now have significantly improved functionality, stability and scalability. By the year-end, total client FX volume was in excess of USD 44 billion on behalf of 26 clients and earned revenues of £0.75 million.

In December 2021 we announced our strategic partnership with Investec enabling us to offer a margin-free credit solution, adding to our agency and matched-principal solutions by which clients can carry out their FX transactions. This has resulted in MillTechFX being shortlisted by Private Equity Wire European Awards for the best FX solution provider award.

## **Millennium Global Treasury Services Limited**

### **Strategic Report, cont.** **for the Year Ended 31 December 2021**

Our Board and investors remain fully committed to our business, confident that the capability of our technological solution, the support of clients and counter-parties, and the growing interest in our proposal will result in the success of our endeavour.

## **ENGAGING WITH STAKEHOLDERS – SECTION 172 STATEMENT**

Our success depends on building and maintaining successful relationships with our stakeholders. When making business decisions, the Board is mindful of its responsibilities under s172(1) of the Companies Act 2006 to promote the success of the company having regard to its range of stakeholders, as discussed below.

### **Partners and suppliers**

Our business is carried out within a highly interconnected environment and our success depends on our having strong relationships with our partners and suppliers. We work closely with innovative partners, as well as with long-established and trusted brands with deep market knowledge. We endeavour to deal with all suppliers fairly, openly and as valued partners.

### **Investors**

Our investors have placed trust and confidence in us as we deliver a unique solution on a global basis. We value their support and advice through frequent dialogue, transparency and ensuring that they are well versed in those areas of importance to our success including technology, financial performance, strategy, governance, culture and ethical practice.

### **Interest of employees**

Despite the negative impact of the Covid-19 pandemic, we have focused on recruiting a team that we consider very well suited to achieving our aims. We have implemented a number of measures to accommodate working-from-home, to build culture, to develop skills and ensure employee wellbeing. We have independently verified the fairness of our compensation and regularly discuss progress with staff, helping them and the company to build an open, trusting, high performance culture.

### **Impact of operations on the community and the environment**

We aim to build trust with our investors, staff, customers, partners and in our communities. During the year, the Company applied to become a signatory to the UN's Principles for responsible investing (UN PRI). We are committed to reducing the use of natural resources and we donate to and support causes helping to reverse the effect of climate change.

### **Reputation**

The company places high value on compliance with all the relevant regulations applied with the highest levels of integrity and ethical behaviour. We require all employees to undertake appropriate mandatory training and to attest annually that they have completed the training demanded by their role.

As a key player in the FX markets, we value the opportunity to engage with regulators, governments and industry associations through meetings, conferences and other forums to develop policies that protect customers, promote better service and provide customers with greater choice.

### **Act fairly**

The company is committed to acting fairly with its members and being transparent in its activities and direction.

### **Evaluate consequences of decisions**

The Board of Directors is committed to acting in the best interests of the shareholders, the company's staff and customers, and the wider community. The Board is provided with regular reports that inform it on material risks and business performance, providing the Board with assurance that the

## **Millennium Global Treasury Services Limited**

interests of all stakeholder groups are carefully considered.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

#### **Macroeconomic environment risk**

MGTS's business is sensitive to global macroeconomic conditions as revenues will be linked to the volume of trade undertaken by our customers in foreign currencies. The management consider that, given the current stage of our business, any macroeconomic impact is likely to have minimal effect on our business. However, as we grow our business, the company will develop appropriate and sophisticated tools to monitor and respond to future macroeconomic events which could have a detrimental effect on our business.

#### **Regulatory risk**

The company operates in a highly regulated industry and is exposed in the UK, US and Canada to many forms of risk relating to compliance with a wide range of laws and regulations covering general organisational and governance requirements, capital and liquidity requirements and anti-financial crime requirements.

The company is focused on responding effectively and in a timely manner to any changes in regulation to ensure that compliance with regulatory requirements is maintained.

#### **Operational risk**

This financial year has seen a concerted effort by all elements of the company to develop our customer offering, build and test the full spectrum of channels and services, achieve and monitor regulatory compliance and plan for future developments to enable our business to scale.

Throughout the year we have continued to develop our Operational Risk framework to enable prompt and effective risk identification, assessment and response. Our success is critically linked to recruiting and retaining the best people with the right skills to support our growth.

#### **Third party risk**

MGTS is reliant on a number of third parties and outsourcing service providers across a wide range of channels including execution processing, order reception and transmission, foreign exchange rates, KYC, AML, finance and other critical services.

We mitigate this risk with a thorough third party and outsourcing risk management framework, allied to our policy and governance structure and ongoing monitoring services.

#### **Liquidity risk**

In the year ended 31 December 2021 the company benefited from additional funding of £19.1 million enabling it to meet all liabilities as they fall due, to fund its expansion and to provide for adequate credit support with counterparties.

#### **Credit risk**

The nature of our business is not to assume credit risk except in cases where we execute a foreign exchange transaction for our clients in which case we will transfer client assets and collect settlement funds to be returned to our clients or their designated third parties. We transact with investment grade institutions and have instigated daily and effective credit control measures to ensure credit risks are managed appropriately where deterioration is identified.

## Millennium Global Treasury Services Limited

Strategic Report, cont.  
for the Year Ended 31 December 2021

### Financial crime risk

We anticipate that volumes traded through our platform will increase to significant levels which may be subject to a heightened level of criminal activity and potential losses due to breaches of our terms of business by customers. To address this type of risk, we have implemented robust Know Your Customer ("KYC") and Anti-Money Laundering ("AML") policies and procedures, we perform real-time on-going transaction monitoring with the support of third party experts, and are committed to developing a world class control environment to respond promptly and effectively to emerging financial crime threats.

### Cyber risks

As a cloud- and web-based software as a service solution, MGTS is alert to the risk of cyber security threats which might seek to access our systems or customer and payment data. We are developing a series of technological and organisational measures, with the support of third party experts, which enable us to deliver industry leading security features and robust defence against cyber risks.

### Breaches of data security

We invest heavily in automated and manual checks and solutions to ensure that the personal data provided by our staff and customers, as well as confidential corporate data, complies with strict data protection and privacy laws and regulations. We undertake regular penetration testing to ensure the robustness of our systems. Business processes and policies exist to drive best practice in the classification and handling of both structured and unstructured sensitive data by employees.

### Uncertainties

The Covid-19 pandemic as well as, in March 2022, the Russian invasion of Ukraine have placed significant strains on the global economy. We remain very attentive to these major events and have taken prompt and significant action to mitigate their impact on our business as referred to in note 2 to the accounts. No specific impact on our business based on our assessment.

ON BEHALF OF THE BOARD:



.....  
E M Huttman – Director and CEO  
Date : 12 April 2022

## **Millennium Global Treasury Services Limited**

### **Report of the Directors** **for the Year Ended 31 December 2021**

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

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

K M Gibson-Stark  
M D Huttman  
E M Huttman

Other changes in directors holding office are as follows:

L Scott-Smith - appointed 23 April 2021  
B D G Delacave - appointed 22 July 2021  
G Hochberg - appointed 22 July 2021

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2021 and 31 December 2020.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 UK-adopted international accounting standards. 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 the group and of the profit or loss of the group 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 in accordance with IFRS; and
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group'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 group's auditors are aware of that information.


**Millennium Global Treasury Services Limited**

Report of the Directors, cont.  
for the Year Ended 31 December 2021

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'E M Huttman', written over a dotted line.

.....  
E M Huttman – Director and CEO  
Date : 12 April 2022

## **Millennium Global Treasury Services Limited**

### **Independent auditor's report**

to the members of Millennium Global Treasury Services Limited

### **Opinion on the financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Millennium Global Treasury Services Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021 which comprise Statement of the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Notes to the Consolidated Statement of Cash Flows and the Notes to the Consolidated Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and, as regards the Parent Company financial statements, as applied in accordance with the provisions 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 Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Group and the Parent 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.

### **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 Group's and Parent 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.

## **Millennium Global Treasury Services Limited**

### Independent auditor's report, continued

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report 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. 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.

#### **Other Companies Act 2006 reporting**

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 has been prepared in accordance with applicable legal requirements.

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

#### **Responsibilities of Directors**

As explained more fully in the Statement Directors' Responsibilities, 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

## **Millennium Global Treasury Services Limited**

### Independent auditor's report, continued

#### **Auditor's 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 auditor's 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.

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

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:

- We gained an understanding of the legal and regulatory framework applicable to the company and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These laws and regulations included but were not limited to compliance with the Companies Act 2006, those resulting from being authorised by the Financial Conduct Authority to undertake regulated activities and International accounting standards.
- We considered compliance with laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:
  - agreement of the financial statement disclosures to underlying supporting documentation;
  - enquiries of management;
  - testing of journal postings made during the year to identify potential management override of controls ; and
  - review of meeting minutes throughout the period.
- We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and discussed how and where these might occur and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Millennium Global Treasury Services Limited

### Independent auditor's report, continued

#### Use of our report

This report is made solely to the Parent 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 Parent Company's members those matters we are required to state to them in an auditor's 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Vanessa Bradley*

6052FC68EBD6446...

Vanessa-Jayne Bradley (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK

08 April 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# **Millennium Global Treasury Services Limited**

## **Consolidated Statement of Profit or Loss** **for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
<b>CONTINUING OPERATIONS</b>			
Revenue – Execution services	3	728,329	-
Cost of sales		<u>(65,923)</u>	<u>-</u>
<b>GROSS PROFIT</b>		662,406	-
Administrative expenses		<u>(5,676,557)</u>	<u>(2,460,477)</u>
<b>OPERATING LOSS</b>		(5,014,151)	(2,460,477)
Finance costs	5	(442)	-
Finance income	5	<u>73</u>	<u>1,411</u>
<b>LOSS BEFORE INCOME TAX</b>	6	(5,014,520)	(2,459,066)
Income tax	7	<u>-</u>	<u>-</u>
<b>LOSS FOR THE YEAR</b>		<u>(5,014,520)</u>	<u>(2,459,066)</u>
Loss attributable to: Owners of the parent		<u>(5,014,520)</u>	<u>(2,459,066)</u>

The notes form part of these financial statements

**Millennium Global Treasury Services Limited****Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
<b>LOSS FOR THE YEAR</b>	(5,014,520)	(2,459,066)
<b>OTHER COMPREHENSIVE INCOME</b>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>(5,014,520)</u>	<u>(2,459,066)</u>
Total comprehensive income attributable to: Owners of the parent	<u>(5,014,520)</u>	<u>(2,459,066)</u>

The notes form part of these financial statements

**Millennium Global Treasury Services Limited**

**Consolidated Statement of Financial Position**  
as at 31 December 2021

	Notes	31.12.21 £	31.12.20 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Owned			
Intangible assets	9	1,545,768	576,157
Property, plant and equipment	10	67,594	31,099
		<u>1,613,362</u>	<u>607,256</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	12	1,301,402	390,980
Cash and cash equivalents	13	11,841,816	936,651
		<u>13,143,218</u>	<u>1,327,631</u>
<b>TOTAL ASSETS</b>		<u>14,756,580</u>	<u>1,934,887</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	14	22,733,787	3,584,078
Revaluation reserve	15	4,566	-
Share based payment reserve	15	(1,595,968)	-
Retained earnings	15	(7,475,817)	(2,461,297)
<b>TOTAL EQUITY</b>		<u>13,666,568</u>	<u>1,122,781</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	1,090,012	812,106
<b>TOTAL LIABILITIES</b>		<u>1,090,012</u>	<u>812,106</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>14,756,580</u>	<u>1,934,887</u>

The financial statements were approved by the Board of Directors and authorised for issue on 12th April 2022 and were signed on its behalf by:



Director and CEO

The notes form part of these financial statements

**Millennium Global Treasury Services Limited**

**Company Statement of Financial Position**  
**as at 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Owned			
Intangible assets	9	1,545,768	576,157
Property, plant and equipment	10	57,717	31,099
Investments	11	8,385	-
		<u>1,611,870</u>	<u>607,256</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	12	3,201,397	390,980
Cash and cash equivalents	13	10,266,819	936,651
		<u>13,468,216</u>	<u>1,327,631</u>
<b>TOTAL ASSETS</b>		<u>15,080,086</u>	<u>1,934,887</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	14	22,733,787	3,584,078
Share based payment reserve	15	(1,595,968)	-
Retained earnings	15	(7,035,568)	(2,461,297)
<b>TOTAL EQUITY</b>		<u>14,102,251</u>	<u>1,122,781</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	977,835	812,106
<b>TOTAL LIABILITIES</b>		<u>977,835</u>	<u>812,106</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>15,080,086</u>	<u>1,934,887</u>

The financial statements were approved by the Board of Directors and authorised for issue on .....12th April 2022..... and were signed on its behalf by:



.....  
E M Huttman - Director

The notes form part of these financial statements

# **Millennium Global Treasury Services Limited**

## **Consolidated Statement of Changes in Equity** **for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Share based payment reserves £	Total equity £
<b>Balance at 1 January 2020</b>	1,050,000	(2,231)	-	-	1,047,769
<b>Changes in equity</b>					
Issue of share capital	2,534,078	-	-	-	2,534,078
Total comprehensive income	-	(2,459,066)	-	-	(2,459,066)
<b>Balance at 31 December 2020</b>	<u>3,584,078</u>	<u>(2,461,297)</u>	<u>-</u>	<u>-</u>	<u>1,122,781</u>
<b>Changes in equity</b>					
Movement during the year	19,149,709	-	-	(1,595,968)	17,553,741
Total comprehensive income	-	(5,014,520)	4,566	-	(5,009,954)
<b>Balance at 31 December 2021</b>	<u>22,733,787</u>	<u>(7,475,817)</u>	<u>4,566</u>	<u>(1,595,968)</u>	<u>13,666,568</u>

## **Company Statement of Changes in Equity** **for the Year Ended 31 December 2021**

	Called up share capital £	Retained earnings £	Share based payment reserves £	Total equity £
<b>Balance at 1 January 2020</b>	1,050,000	(2,231)	-	1,047,769
<b>Changes in equity</b>				
Issue of share capital	2,534,078	-	-	2,534,078
Total comprehensive income	-	(2,459,066)	-	(2,459,066)
<b>Balance at 31 December 2020</b>	<u>3,584,078</u>	<u>(2,461,297)</u>	<u>-</u>	<u>1,122,781</u>
<b>Changes in equity</b>				
Movement during the year	19,149,709	-	(1,595,968)	17,553,741
Total comprehensive income	-	(4,574,271)	-	(4,574,271)
<b>Balance at 31 December 2021</b>	<u>22,733,787</u>	<u>(7,035,568)</u>	<u>(1,595,968)</u>	<u>14,102,251</u>

The notes form part of these financial statements

# **Millennium Global Treasury Services Limited**

## **Consolidated Statement of Cash Flows** **for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(4,975,555)	(2,037,975)
Interest paid		<u>(442)</u>	<u>-</u>
Net cash from operating activities		<u>(4,975,997)</u>	<u>(2,037,975)</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(1,343,165)	(576,157)
Purchase of tangible fixed assets		(51,725)	(34,475)
Purchase of fixed asset investments		(8,385)	-
Interest received		<u>73</u>	<u>1,411</u>
Net cash from investing activities		<u>(1,403,202)</u>	<u>(609,221)</u>
<b>Cash flows from financing activities</b>			
Share issue		<u>17,272,100</u>	<u>2,534,078</u>
Net cash from financing activities		<u>17,272,100</u>	<u>2,534,078</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>10,892,901</u>	<u>(113,115)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	936,651	1,049,769
Effect of foreign exchange rate changes		<u>12,264</u>	<u>-</u>
<b>Cash and cash equivalents at end of year</b>	2	<u>11,841,816</u>	<u>936,651</u>

The notes form part of these financial statements

# **Millennium Global Treasury Services Limited**

## **Notes to the Consolidated Statement of Cash Flows** **for the Year Ended 31 December 2021**

### **1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	31.12.21	31.12.20
	£	£
Loss before income tax	(5,014,520)	(2,459,066)
Depreciation charges	389,471	3,379
Share based payment reserve movement	281,641	-
Finance costs	442	-
Finance income	(73)	(1,411)
	(4,343,039)	(2,457,098)
Increase in trade and other receivables	(910,422)	(390,980)
Increase in trade and other payables	277,906	810,103
<b>Cash generated from operations</b>	<b><u>(4,975,555)</u></b>	<b><u>(2,037,975)</u></b>

### **2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

#### **Year ended 31 December 2021**

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>11,841,816</u>	<u>936,651</u>

#### **Year ended 31 December 2020**

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	<u>936,651</u>	<u>1,049,769</u>

## **Millennium Global Treasury Services Limited**

### **Notes to the Consolidated Financial Statements for the Year Ended 31 December 2021**

#### **1. STATUTORY INFORMATION**

Millennium Global Treasury Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparation**

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

##### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. Intercompany transactions, balances, income and expenses, and profits and losses are eliminated.

The financial statements of the wholly owned subsidiary company are incorporated into the consolidated financial statements.

##### **Critical accounting estimates and judgements**

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- In the share based payment, the company was advised by external experts and the Directors agreed to a sixty percent discount rate applied in valuation of C Ordinary shares in the Company's parent company at grant date; and
- In the employee share ownership scheme a five year vesting period has been applied in line with estimated exit date.

##### **Assessment of tangible and intangible assets**

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

## **Millennium Global Treasury Services Limited**

### Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

#### **Going concern**

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the Directors have considered the following: budgeted and projected results of the business, projected cash flow, stress testing of cash flows and the risks that could impact on the Company's liquidity and solvency over the next 12 months following the date of approval of these financial statements, including the impact of the Coronavirus pandemic. Based on the Company's cash resources at the year end, the Directors believe that the company has sufficient financial resources to enable the Company to settle its obligations as they fall due and absorb the current risks and accordingly, the financial statements have been prepared on a going concern basis.

#### **Financial assets, liabilities and equity**

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

#### **Due from broker**

Due from broker includes collateral in the form of cash or other short term highly liquid investments with original maturities of three months or less held with the prime broker.

#### **Property, plant and equipment**

Tangible fixed assets are stated at historic cost less depreciation. Depreciation is calculated on a straight line basis at rates calculated to write off the cost of each asset over its estimated useful life as follows:

Office equipment :	4 years
--------------------	---------

Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

#### **Internally generated intangible assets (software development costs)**

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Company is able to sell the product;
- sale of the product will generate future economic benefits, and
- expenditure on the project can be measured reliably.

## **Millennium Global Treasury Services Limited**

### **Notes to the Consolidated Financial Statements - continued** **for the Year Ended 31 December 2021**

Intangible assets are stated at historic cost less amortisation. Amortisations is calculated on a straight line basis at rates calculated to write off the cost of intangible assets over its estimated useful life as follows:

Software development costs added in 2020	2.5 years
Software development costs added in 2021	4 years

The amortisation expense is included within the administrative expenses in the statement of comprehensive income.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the statement of comprehensive income as incurred.

#### **Taxation**

Current taxation, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the Statement of Financial Position date.

#### **Foreign currencies**

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

#### **Pension scheme**

The company operates an auto-enrolment pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

#### **Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

#### **Share based payments**

Where equity settled shares are awarded to employees, the fair value of the shares at the date of grant is charged to the consolidated statement of profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of shares that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the shares granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions are modified before they vest, the increase in the fair value of the shares, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period. Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

## **Millennium Global Treasury Services Limited**

### **Notes to the Consolidated Financial Statements - continued** **for the Year Ended 31 December 2021**

#### **New standards, interpretations and amendments not yet effective**

There are a number of standards, interpretations and amendments to standards which have been issued by the IASB that are effective in future accounting periods and which may be adopted early. The Directors have decided not to adopt these standards, interpretations and amendments early.

The following amendments are effective for the period beginning 1 January 2021:

1. IAS 1 & IAS 8 : definition of material;
2. IFRS 9, IAS 39 & IFRS 7 : interest rate benchmark reform; and
3. References to the conceptual framework in IFRS standards.

At the date of authorisation of these financial statements, the Company has not adopted the following new and revised IFRS's that it was permitted, but not required, to adopt as they are not yet effective and (in some cases) had not yet been adopted by the United Kingdom:

1. IAS 16 : property, plant and equipment (effective 1 January 2020);
2. IAS 37 : provision, contingent liabilities and contingent assets (effective 1 January 2020);  
and
3. IAS 1 : classification of liabilities as current or non-current (effective 1 January 2023).

# **Millennium Global Treasury Services Limited**

## Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

### **3. REVENUES**

	31.12.21	31.12.20
	£	£
Matched-principal revenues	94,107	0
Agency revenues	<u>634,222</u>	<u>0</u>
	<u>728,329</u>	<u>0</u>

### **4. EMPLOYEES AND DIRECTORS**

	31.12.21	31.12.20
	£	£
Wages and salaries	2,859,516	910,626
Social security costs	580,165	155,207
Other pension costs	<u>95,823</u>	<u>50,819</u>
	<u>3,535,504</u>	<u>1,116,652</u>

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

	31.12.21	31.12.20
Administration	<u>32</u>	<u>14</u>

	31.12.21	31.12.20
	£	£
Directors' wages and salaries	<u>624,802</u>	<u>122,072</u>

Information regarding the highest paid director for the year ended 31 December 2021 is as follows:

	31.12.21	31.12.20
	£	£
Wages and salaries	164,877	122,072
Social security costs	280,093	14,720
Share award	281,641	-
Other pension costs	<u>8,125</u>	<u>5,729</u>
	<u>734,736</u>	<u>142,521</u>

### **5. NET FINANCE COSTS**

	31.12.21	31.12.20
	£	£
Finance income:		
Deposit account interest	<u>73</u>	<u>1,411</u>
Finance costs:		
Bank interest	<u>442</u>	<u>-</u>
Net finance income/(costs)	<u>(369)</u>	<u>1,411</u>

## Millennium Global Treasury Services Limited

### Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

#### 6. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging/(crediting):

	31.12.21 £	31.12.20 £
Depreciation - owned assets	15,230	3,376
Computer software amortisation	373,554	-
Auditors' remuneration	27,549	10,000
Other non- audit services	8,185	15,575
Foreign exchange differences	<u>(118,583)</u>	<u>101,086</u>

#### 7. INCOME TAX

##### Analysis of tax expense

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

	31.12.21 £	31.12.20 £
Loss on ordinary activities before tax	5,014,520	2,459,066
Loss multiplied by the standard rate of corporation tax In the UK of 19% (2020: 19%)	952,759	467,223
Effect of:		
Losses carried forward	939,142	582,054
Expenses disallowed for tax purposes	142,912	547
Depreciation in excess of capital allowances	<u>(129,295)</u>	<u>(115,378)</u>
Total tax charge	<u>0</u>	<u>0</u>

##### *Estimates and assumptions, including uncertainty over income tax treatments*

No material uncertain tax positions exist as at 31 December 2021. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

The group has an unrecognised deferred tax asset of £1,521,196 (2020: £582,054) comprising unutilised losses of £ 8,006,295 (2020: £3,063,442). The deferred tax asset has not been recognised due to the uncertainty over the timing of its recoverability.

#### 8. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £4,574,271 (2020: £2,459,066).

## Millennium Global Treasury Services Limited

### Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

#### 9. INTANGIBLE ASSETS

##### Group

	Computer software £
<b>COST</b>	
At 1 January 2021	576,157
Additions	<u>1,343,165</u>
At 31 December 2021	<u>1,919,322</u>
<b>AMORTISATION</b>	
Amortisation for year	<u>373,554</u>
At 31 December 2021	<u>373,554</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>1,545,768</u>
At 31 December 2020	<u>576,157</u>

##### Company

	Computer software £
<b>COST</b>	
At 1 January 2021	576,157
Additions	<u>1,343,165</u>
At 31 December 2021	<u>1,919,322</u>
<b>AMORTISATION</b>	
Amortisation for year	<u>373,554</u>
At 31 December 2021	<u>373,554</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>1,545,768</u>
At 31 December 2020	<u>576,157</u>

## Millennium Global Treasury Services Limited

### Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

#### 10. PROPERTY, PLANT AND EQUIPMENT

##### Group

	Computer equipment £
<b>COST</b>	
At 1 January 2021	34,475
Additions	<u>51,725</u>
At 31 December 2021	<u>86,200</u>
<b>DEPRECIATION</b>	
At 1 January 2021	3,376
Charge for year	<u>15,230</u>
At 31 December 2021	<u>18,606</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>67,594</u>
At 31 December 2020	<u>31,099</u>

##### Company

	Computer equipment £
<b>COST</b>	
At 1 January 2021	34,475
Additions	<u>41,050</u>
At 31 December 2021	<u>75,525</u>
<b>DEPRECIATION</b>	
At 1 January 2021	3,376
Charge for year	<u>14,432</u>
At 31 December 2021	<u>17,808</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>57,717</u>
At 31 December 2020	<u>31,099</u>

## Millennium Global Treasury Services Limited

### Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

#### 11. INVESTMENTS

The only subsidiary of Millennium Global Treasury Services Limited, which has been included in these consolidated financial statements, is as follows:

<u>Subsidiary name</u>	<u>Country of incorporation</u>	<u>Ownership %</u>	
		2021	2020
MillTechFX Europe SAS	France	100%	-
<b>Company</b>			Shares in group undertaking £
<b>COST</b>			
Additions			<u>8,385</u>
At 31 December 2021			<u>8,385</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021			<u>8,385</u>

#### 12. TRADE AND OTHER RECEIVABLES

	<b>Group</b>		<b>Company</b>	
	31.12.21 £	31.12.20 £	31.12.21 £	31.12.20 £
Current:				
Trade debtors	79,040	-	79,040	-
Other debtors	1,088,069	377,124	2,988,064	377,124
Prepayments and accrued income	<u>134,293</u>	<u>13,856</u>	<u>134,293</u>	<u>13,856</u>
	<u>1,301,402</u>	<u>390,980</u>	<u>3,201,397</u>	<u>390,980</u>

#### 13. CASH AND CASH EQUIVALENTS

	<b>Group</b>		<b>Company</b>	
	31.12.21 £	31.12.20 £	31.12.21 £	31.12.20 £
Bank accounts	<u>11,841,816</u>	<u>936,651</u>	<u>10,266,819</u>	<u>936,651</u>

## Millennium Global Treasury Services Limited

### Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

#### 14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.21 £	31.12.20 £
22,733,787	Ordinary	1	<u>22,733,787</u>	<u>3,584,078</u>

19,149,709 Ordinary shares of £1 each were allotted of which 17,272,100 were paid for at £1 per share and a further 1,877,609 were issued as part of the share based payment during the year.

#### 15. RESERVES

Retained earnings consists of cumulative losses. The revaluation reserve comprises the translation difference arising on the consolidation of the subsidiary balance sheet. Share based payment reserves related to the employee share ownership plan as outlined in Note 2 on page 23 of the accounting policies.

##### Group

	Retained earnings £	Revaluation reserve £	Share based payment reserves £	Totals £
At 1 January 2021	(2,461,297)	-	-	(2,461,297)
Deficit for the year	(5,014,520)			(5,014,520)
Movement during the year	-	4,566	-	4,566
Movement during the year	-	-	(1,595,968)	(1,595,968)
At 31 December 2021	<u>(7,475,817)</u>	<u>4,566</u>	<u>(1,595,968)</u>	<u>(9,067,219)</u>

##### Company

	Retained earnings £	Share based payment reserves £	Totals £
At 1 January 2021	(2,461,297)	-	(2,461,297)
Deficit for the year	(4,574,271)		(4,574,271)
Movement during the year	-	(1,595,968)	(1,595,968)
At 31 December 2021	<u>(7,035,568)</u>	<u>(1,595,968)</u>	<u>(8,631,536)</u>

#### 16. TRADE AND OTHER PAYABLES

	Group		Company	
	31.12.21 £	31.12.20 £	31.12.21 £	31.12.20 £
Current:				
Trade creditors	348,041	621,071	337,104	621,071
Social security and other taxes	147,823	107,156	116,592	107,156
Accruals and deferred income	594,148	83,879	524,139	83,879
	<u>1,090,012</u>	<u>812,106</u>	<u>977,835</u>	<u>812,106</u>

## **Millennium Global Treasury Services Limited**

### Notes to the Consolidated Financial Statements - continued for the Year Ended 31 December 2021

#### **17. ULTIMATE PARENT COMPANY**

The Company's immediate parent is Millennium Global Treasury Services Holdings Limited, incorporated in Guernsey.

The Company's ultimate parent undertaking which prepares consolidated financial statements is Millennium Group Holdings Limited, incorporated in Jersey. The directors consider that Millennium Group Holdings Limited is the ultimate controlling party of the Company.

#### **18. RELATED PARTY DISCLOSURES**

£157,751 (2020: £543,260) of operating expenses were recharged in the year by Millennium Global Investments Limited, a fellow subsidiary company of MGH incorporated in England & Wales. At 31 December 2021, £46,810 (2020: £543,260) was payable to Millennium Global Investments Limited.

All the above transactions were completed at arm's length.

#### **19. SHARE BASED PAYMENT**

In March 2021 there was a share-based payment over 6,471,510 shares in the parent company Millennium Global Treasury Services Holdings Limited which has been accounted for as an equity-settled share based payment transaction. Under the scheme, the rights to the shares awarded will only be exercised in the event of an exit by the major shareholders which has been estimated to be five years. The participants of the scheme will need to be in employment at the time of the exit event.

The fair value on grant date of the awards has been estimated at £1,877,609 and an expense of £281,641 has been recognised during the year. The difference between the current year expense recognised and the fair value of share awards has been recognised as a negative share based payment reserve in equity of £1,595,968. The negative share-based payment reserve will be released to the profit and loss over the estimated vesting period of five years on a straight line basis.