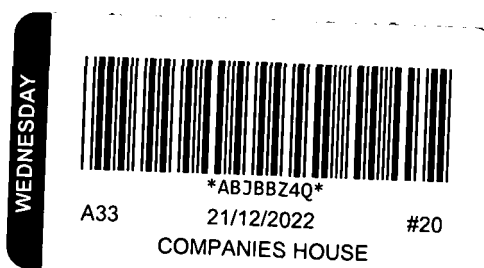

KASHET LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



KASHET LIMITED

COMPANY INFORMATION

Directors	A Brookes (appointed 1 May 2021) C Jones N Kirk G Steel (appointed 1 May 2021) A Wilmot-Sitwell (appointed 1 June 2022) B Bhushan (appointed 1 May 2021, resigned 13 September 2021) J Cairnduff (resigned 28 February 2022)
Registered number	11976378
Registered office	9 Appold Street London EC2A 2AP
Independent auditor	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT

KASHET LIMITED

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KASHET LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

Kashet is a start-up business focused on the provision of E-money solutions to a slightly more mature client base than the majority of Digital Banks.

Business review

Development of the business regulatory framework, technology, strategic suppliers and staff continues.

Principal risks and uncertainties

Kashet will rely on ongoing investment from investors to develop its business and support its growth. It also works in a regulated industry and is reliant on such licenses which may change from time to time.

Financial key performance indicators

Product launch is anticipated in late 2023 and thereafter revenues will commence. Until this time the business will require support from the Holding Company, Kashet Group AG, which in turn continues to raise investment funding.

Other key performance indicators

Post launch we will include sales and marketing information in addition to the financial trading reporting.

Directors' statement of compliance with duty to promote the success of the Company

In the 2 years to December 2021 the impact of Covid was unhelpful to Kashet and many other businesses. The 2021 year saw a shift of focus towards gaining our FCA licenses, creating a solid foundation for the business needs.

This report was approved by the board on 15 December 2022

and signed on its behalf.


.....
N Kirk
Director

KASHET LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 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.

Results and dividends

The loss for the year, after taxation, amounted to £73,023 (2020 - profit £NIL).

The business is projected to be loss making until the end of year 3 following its consumer launch. This will equate to around 1 million customers. No dividends are likely until this stage.

Directors

The directors who served during the year were:

A Brookes (appointed 1 May 2021)
C Jones
N Kirk
G Steel (appointed 1 May 2021)
B Bhushan (appointed 1 May 2021, resigned 13 September 2021)
J Cairnduff (resigned 28 February 2022)

Future developments

In 2022, Kashet sought to continue its technology designs and implementation.

KASHET LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Engagement with suppliers, customers and others

The supplier base remains under constant review to ensure performance, regulatory compliance, stability of entity and customer led innovation. The technology platform is intended to allow for partner changes with the minimum of reconfiguration.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Company has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the year is 40,000kWh or lower.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Post balance sheet events

A further funding round of CHF 1,260,050.00 was concluded by Kashet Group AG in June 2022.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15 December 2022

and signed on its behalf.



N Kirk
Director

KASHET LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KASHET LIMITED

Opinion

We have audited the financial statements of Kashet Limited (the 'Company') for the year ended 31 December 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 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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.

Prior period comparatives

We draw attention to the fact that the comparative figures presented within these financial statements for the year ended 31 December 2020 were unaudited. Our opinion is not modified in respect of this matter.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the Company's future projections of positive monthly net cashflows for the foreseeable future, rely upon the wider Group receiving cash inflows from successful fundraising at a certain point in time within the next 12 months. The Group is reliant upon this fundraising in order to adequately finance overheads, meet its liabilities as they fall due, and maintain the planned project expenditure necessary to complete the e-money system. Therefore as stated in note 2.2, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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, but that there is a material uncertainty in relation of this matter. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included review of forecast income and expenditure with consideration of management assumptions, as well as assessment of the actual Company trading figures that have occurred since the year end, and the comparison of these figures with earlier forecasts.

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

KASHET LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KASHET LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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 2, 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.

KASHET LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KASHET LIMITED (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.

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 obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were Taxation legislation and Companies Act 2006.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for indication of bias.

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 Auditor's 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 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Jayson (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT
Date: 20 December 2022

KASHET LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	Unaudited 2020 £
Turnover	4	443,987	-
Gross profit		443,987	-
Administrative expenses		(496,375)	-
Operating (loss)/profit	5	(52,388)	-
Interest payable and similar expenses	9	(20,635)	-
(Loss)/profit before tax		(73,023)	-
(Loss)/profit for the financial year		(73,023)	-

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 11 to 19 form part of these financial statements.

KASHET LIMITED
REGISTERED NUMBER: 11976378

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	Restated Unaudited 2020 £
Current assets			
Debtors: amounts falling due within one year	10	75,355	400,000
Cash at bank and in hand	11	344,936	-
		<u>420,291</u>	<u>400,000</u>
Creditors: amounts falling due within one year	12	(93,314)	-
Net current assets		<u>326,977</u>	<u>400,000</u>
Total assets less current liabilities		<u>326,977</u>	<u>400,000</u>
Net assets		<u>326,977</u>	<u>400,000</u>
Capital and reserves			
Called up share capital	14	400,000	400,000
Profit and loss account	15	(73,023)	-
		<u>326,977</u>	<u>400,000</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 December 2022.

.....
N Kirk
 Director

The notes on pages 11 to 19 form part of these financial statements.

KASHET LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020 (as previously stated, unaudited)	400,000	-	400,000
Total comprehensive income for the year	-	-	-
At 1 January 2021 (as previously stated, unaudited)	400,000	-	400,000
Comprehensive income for the year			
Loss for the year	-	(73,023)	(73,023)
Other comprehensive income for the year	-	-	-
At 31 December 2021	400,000	(73,023)	326,977

The notes on pages 11 to 19 form part of these financial statements.

KASHET LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	Unaudited 2020 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(73,023)	-
Adjustments for:		
Interest paid	20,635	-
(Increase)/decrease in debtors	(3,240)	-
(Increase)/decrease in amounts owed by groups	(13,817)	-
Increase in creditors	26,314	-
Increase in amounts owed to groups	67,000	-
Net cash generated from operating activities	<u>23,869</u>	<u>-</u>
Cash flows from financing activities		
Cash received for Ordinary shares	341,702	-
Interest paid	(20,635)	-
Net cash used in financing activities	<u>321,067</u>	<u>-</u>
Net increase in cash and cash equivalents	<u>344,936</u>	<u>-</u>
Cash and cash equivalents at the end of year	<u><u>344,936</u></u>	<u><u>-</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	344,936	-
	<u><u>344,936</u></u>	<u><u>-</u></u>

The notes on pages 11 to 19 form part of these financial statements.

KASHET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Kashet Limited is a private company limited by shares incorporated in England and Wales. The registered office is 9 Appold Street, London, EC2A 2AP.

The principal activity of the company is to provide digital banking, money and payment services through a prepaid card, currency exchange, peer to peer payments and investments in both fiat and cryptocurrencies. The services are currently not available and is undergoing development anticipated to launch in late 2023.

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 following principal accounting policies have been applied:

2.2 Going concern

These financial statements have been prepared on a going concern basis. In preparing the financial statements the Directors have taken into account all information that could reasonably be expected to be available for the following 12 months from the date of signing the financial statements and beyond. The directors consider the Company to be a going concern and the accounts are prepared on this basis.

The future projections of the Company have been prepared on the basis the company will complete the setup of the e-money system, and this is expected to go live in 2023. Thus, although at the date of signing these financial statements the Company has no committed trade or external customers, these are expected to arise after the system launch. Until the launch has completed, the Company is reliant upon support from the parent company, Kashet Group AG ("KGAG").

In common with many start-up companies, KGAG raises finance for its initial system-building and marketing activities in discrete fundraising tranches. In order to remain trading for the 12 months from the date of signing of these financial statements, KGAG is reliant on further finance being raised. Although KGAG has been successful in raising funds in the past, there is no guarantee that adequate funds will be raised in the future. This represents a material uncertainty over KGAG's and the Company's ability to continue as going concerns, and therefore that they may be unable to realise their assets and discharge their liabilities in the normal course of business.

However, the directors have a reasonable expectation that they will secure additional funding when required for the foreseeable future, and on this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

KASHET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional currency is Swiss francs (CHF). This differs from the presentational currency which is GBP. The reason for the difference is that the parent company is based in Switzerland, so the shared finance function records all transactions in CHF.

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.

All foreign exchange gains and losses that relate to intercompany balances, 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'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 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.

KASHET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 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.

2.7 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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.

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 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.

KASHET LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant to the company's operating environment. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4. Turnover

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

	2021 £	Unaudited 2020 £
Intercompany recharges	443,987	-
	<u>443,987</u>	<u>-</u>

All turnover arose within the European Union excluding the United Kingdom.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2021 £	Unaudited 2020 £
Exchange differences	3,246	-
	<u>3,246</u>	<u>-</u>

KASHET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditor and its associates:

	2021	<i>Unaudited</i>
	£	2020
		£
Fees payable to the Company's auditor and its associates for the audit of the Company's financial statements	9,000	-
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	2,160	-
All non-audit services not included above	2,280	-
	=====	=====

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2021	<i>Unaudited</i>
	£	2020
		£
Wages and salaries	355,150	-
Social security costs	45,116	-
Cost of defined contribution scheme	4,468	-
	=====	=====
	404,734	-

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

	<i>Unaudited</i>
2021	2020
No.	No.
4	3
=====	=====

KASHET LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Directors' remuneration

	2021 £	Unaudited 2020 £
Directors' emoluments	13,000	-
Company contributions to defined contribution pension schemes	220	-
	<u>13,220</u>	<u>-</u>

During the year retirement benefits were accruing to 1 director (2020 - NIL) in respect of defined contribution pension schemes.

9. Interest payable and similar expenses

	2021 £	Unaudited 2020 £
Bank interest payable	20,635	-
	<u>20,635</u>	<u>-</u>

10. Debtors

	2021 £	Restated Unaudited 2020 £
Amounts owed by group undertakings	13,817	-
Other debtors	2,160	-
Called up share capital not paid	58,298	400,000
Prepayments and accrued income	1,080	-
	<u>75,355</u>	<u>400,000</u>

KASHET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Cash and cash equivalents

	2021 £	<i>Restated Unaudited 2020 £</i>
Cash at bank and in hand	344,936	-
	<u>344,936</u>	<u>-</u>

12. Creditors: Amounts falling due within one year

	2021 £	<i>Unaudited 2020 £</i>
Amounts owed to group undertakings	67,000	-
Other creditors	672	-
Accruals and deferred income	25,642	-
	<u>93,314</u>	<u>-</u>

13. Financial instruments

	2021 £	<i>Unaudited 2020 £</i>
Financial assets		
Financial assets measured at fair value through profit or loss	344,936	-
Financial assets measured at amortised cost	74,275	-
	<u>419,211</u>	<u>-</u>
Financial liabilities		
Financial liabilities measured at amortised cost	85,026	-

Financial assets measured at fair value through profit or loss comprise cash balances held at bank.

Financial assets measured at amortised cost comprise intercompany debtors, other debtors and unpaid share capital.

Financial liabilities measure at amortised cost comprise intercompany creditors, other creditors and accruals.

KASHET LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

14. Share capital

	2021 £	Unaudited 2020 £
Allotted, called up and fully paid		
341,702 (2020 - 0) Ordinary shares of £1.00 each	<u>341,702</u>	<u>-</u>
Allotted, called up and unpaid		
58,298 (2020 - 400,000) Ordinary shares of £1.00 each	<u>58,298</u>	<u>400,000</u>

Full payment was received during the year in relation to 341,702 ordinary shares of par value £1 each. The consideration received in relation to these shares exactly matched the par value of the shares.

15. Reserves

The profit and loss account represents accumulated comprehensive income for the year and prior periods, less any dividends paid.

16. 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 £4,248 (2020 - £nil). Contributions totalling £1,541 (2020 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

17. Related party transactions

During the year there were intercompany transactions with the ultimate parent company Kashet Group AG, comprising £443,987 received as revenue. At the year end there was an intercompany loan of £67,000 owing to Kashet Group AG. There is also an intercompany balance of £13,817 owing to Kashet Limited from Kashet Group AG. Unpaid share capital amounts of £58,298 were owing to Kashet Limited from Kashet Group AG. All intercompany balances and loans are interest free and classified as repayable within one year.

As at the year end there was a balance of £672 owed to the director N Kirk by Kashet Limited.

18. Controlling party

The ultimately controlling party is Kashet Group AG, incorporated in Switzerland. Copies of the group accounts are available at the the registered office of Kashet Group AG, Lakeside Business Center, Gotthardstrasse 26, 6300 Zug, Switzerland. Kashet Limited continues to receive ongoing financial support from the parent company.

KASHET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Capital

The Company is an authorised e-money issuer regulated by the Financial Conduct Authority. Electronic Money Regulations 2011 (EMRs) requires that there is a minimum amount of capital, comprised of the Company's own funds, held in order to meet the capital requirements. During the year ended 31 December 2021, these requirements were fully complied with and satisfied.

20. Prior year adjustment

There has been a prior year adjustment made in relation to the £400,000 that was incorrectly stated as cash in bank in the financial statements for the year ended 31 December 2020, and which is now correctly recorded as unpaid share capital.