

Company Registration No. 12590608 (England and Wales)

BIDX MARKETS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2022

BIDX MARKETS LIMITED

COMPANY INFORMATION

Directors	Mr John Blackledge Mr S J Blackledge Mr Antoon Gysbers
Company number	12590608
Registered office	Salsbury House 29 Finsbury Circus London UK EC2M 5SQ
Auditor	Xeinadin Audit Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

BIDX MARKETS LIMITED

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BIDX MARKETS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 MAY 2022

The directors present the strategic report for the period ended 31 May 2022.

The company is regulated in the UK by the Financial Conduct Authority ("FCA") as a limited scope investment firm.

Principal activities

The principal activity of the company is that of provision of investment (brokerage) services and acting as principal to its clients in foreign exchange and derivatives including index Contract For Difference ("CFD").

Fair review of the business

Bidx markets Limited is authorised and regulated by the Financial Conduct Authority (FCA register number: 926482) to hold client funds and act as a matched principal agency since 7th December 2020.

The company's business developed in line with the Board's expectations and early operational stage. The company has continued to gain revenue traction as such it has achieved significant compared to the previous fiscal year. However, the business is still in early growth stage.

The company continues to look for organic and inorganic opportunities both in the UK and overseas for expansion. The directors expect that the company will continue to grow its business both in its core market and new markets and this will lead to a continued improvement in the company's financial results.

Principal Risks and Uncertainties

As a service provider the directors consider that the key financial risk exposure faced by the company relate to counterparty credit risk and the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs. The company does not trade positions which expose it to material risk and nor does it have a material exposure to foreign exchange movements.

The company's financial risk management objectives are therefore to minimise the key financial risks through having clearly defined terms of business with counterparties and stringent market risk control over transactions with them and regular monitoring of cash flow and management accounts to ensure regulatory capital requirements are not breached and the company maintains adequate working capital.

The principal non-financial risk faced by the company relate to information technology failure. This is mitigated by having appropriate backup systems and procedures and a disaster recovery programme.

The directors determine the company's business strategy and risk appetite along with designing and implementing a risk management framework that recognizes that the business faces. They also determine how those risks may be mitigated and assess on an ongoing basis the arrangements to manage those risks. The directors meet on a regular basis to discuss current projections for profitability and regulatory capital management, business planning and risk management. The directors manage the company's risk through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FCA principles and rules) with the aim to operate a defined and transparent risk management framework. The company follows the standardised approach to the market risk and the simplified standard approach to credit risk.

BIDX MARKETS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2022

Key Performance Indicators

The Company's key financial and other performance indicators during the year were as follows:

	Unit	2022	2021
Turnover	£	296,707	48,525
Gross Profit	£	229,695	36,236
Gross Profit	%	77.41	74.67
Gain or Loss on activities before taxes (EBITDA)	£	40,609	13,373
Shareholders funds at the year end	£	43,829	10,832

During the year the company increased the number of employees to four full time employees.

On the 10th of May 2022 the company sold 19,800 to Solid Holding B.V. equivalent to 9.9% of the shareholding of Bidx Markets Limited. The transaction reinforces the company strategy to access best liquidity pools and future expansion into continental Europe, through strong strategic partnerships.

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

The directors determine the company's business strategy and risk appetite along with designing and implementing a risk management framework that recognizes that the business faces. They also determine how those risks may be mitigated and assess on an ongoing basis the arrangements to manage those risks. The directors meet on a regular basis to discuss current projections for profitability and regulatory capital management, business planning and risk management. The directors manage the company's risk through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FCA principles and rules) with the aim to operate a defined and transparent risk management framework. The company follows the standardised approach to the market risk and the simplified standard approach to credit risk.

The FCA Pillar 3 unaudited disclosures are published and updated annually on the company's website.

Approved by the board on 23rd September 2022 and signed on its behalf by:

Mr S J Blackledge
Director

23 September 2022

BIDX MARKETS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MAY 2022

The directors present their annual report and financial statements for the period ended 31 May 2022.

Results and dividends

The directors did not recommend payment of a dividend.

Directors

The directors who held office during the year were as follows

Mr John Blackledge

Mr S J Blackledge

Mr Antoon Gysbers

Financial instruments

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

The company's principal foreign currency exposure arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

Investments on cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board. All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Auditor

During the year, Xeinadin Audit Limited were appointed as auditors. Under section 487(2) of the Companies Act 2006, Xeinadin Audit Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Statement of disclosure to auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. At the time of approval of this report the Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Objectives and policies

The mechanism for identifying, assessing, managing and monitoring financial risk is an integral part of the management process of the company. Understanding the risks the company faces, and managing them appropriately, enables effective decision making and helps to achieve their business objectives.

The risk management framework, which is the responsibility of the board, describes the ways in which the company identifies, assess, measures, manages and monitors the risk that may impact on the successful delivery of their financial risk objectives.

BIDX MARKETS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2022

Price risk, credit risk, liquidity risk and cash flow risk

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Foreign currency risk

The company's principal foreign currency exposure arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

Credit risk

Investments on cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board. All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Regulatory risks

The company's directors have made it clear that it is a high priority to satisfy FCA rules and meet other regulatory requirements.

Important adjusting events after the financial period

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

On behalf of the board

Mr S J Blackledge
Director

23 September 2022

BIDX MARKETS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 31 MAY 2022

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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.

BIDX MARKETS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIDX MARKETS LIMITED

Opinion

We have audited the financial statements of Bidx Markets Limited (the 'company') for the period ended 31 May 2022 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 May 2022 and of its profit for the period 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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.

Opinions on other matters prescribed by the Companies Act 2006

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

BIDX MARKETS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BIDX MARKETS LIMITED

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 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, 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.

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.

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental (including Waste Electrical and Electronic Equipment recycling (WEEE) Regulations 2013) and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

BIDX MARKETS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BIDX MARKETS LIMITED

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Philip Jones BA Hons (FCCA)
Senior Statutory Auditor
For and on behalf of Xeinadin Audit Limited

23 September 2022

Accountants
Statutory Auditor

8th Floor Becket House
36 Old Jewry
London
EC2R 8DD

BIDX MARKETS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE PERIOD ENDED 31 MAY 2022

		2022	Period ended
	Notes	£	31/05/2021 £
Turnover	3	296,707	48,525
Cost of sales		(67,012)	(12,289)
Gross profit		<u>229,695</u>	<u>36,236</u>
Administrative expenses		(189,086)	(22,863)
Profit before taxation		<u>40,609</u>	<u>13,373</u>
Tax on profit	6	(7,612)	(2,541)
Profit for the financial period		<u>32,997</u>	<u>10,832</u>
Retained earnings brought forward		10,832	-
Retained earnings carried forward		<u>43,829</u>	<u>10,832</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BIDX MARKETS LIMITED

BALANCE SHEET

AS AT 31 MAY 2022

		As at 31/05/2021		Period ended 31/05/2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		1,751		-
Current assets					
Debtors	9	4,380,542		191,890	
Cash at bank and in hand		496,065		175,259	
		4,876,607		367,149	
Creditors: amounts falling due within one year	10	(4,634,529)		(156,317)	
Net current assets			242,078		210,832
Net assets			243,829		210,832
Capital and reserves					
Called up share capital	12		200,000		200,000
Profit and loss reserves			43,829		10,832
Total equity			243,829		210,832

The financial statements were approved by the board of directors and authorised for issue on 23 September 2022 and are signed on its behalf by:

Mr S J Blackledge
Director

Company Registration No. 12590608

BIDX MARKETS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2022

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 7 May 2020		-	-	-
Year ended 31 May 2021:				
Profit and total comprehensive income for the year		-	10,832	10,832
Issue of share capital	12	200,000	-	200,000
Balance at 31 May 2021		200,000	10,832	210,832
Year ended 31 May 2022:				
Profit and total comprehensive income for the year		-	32,997	32,997
Balance at 31 May 2022		200,000	43,829	243,829

BIDX MARKETS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2022

		2022		Period ended 31/05/2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	13		333,347	(24,741)	
Income taxes paid			(2,874)	-	
Net cash inflow/(outflow) from operating activities			330,473	(24,741)	
Investing activities					
Purchase of tangible fixed assets		(1,834)	-	-	
Repayment of loans		(7,833)	-	-	
Net cash used in investing activities			(9,667)	-	
Financing activities					
Proceeds from issue of shares		-	200,000		
Net cash (used in)/generated from financing activities			-	200,000	
Net increase in cash and cash equivalents			320,806	175,259	
Cash and cash equivalents at beginning of year			175,259	-	
Cash and cash equivalents at end of year			496,065	175,259	

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

Bidx Markets Limited is a private company limited by shares incorporated in England and Wales. The registered office is Salisbury House, 29 Finsbury Circus, London, UK, EC2M 5SQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover comprises of commissions receivable which are based on a number of factors which have been agreed under financial terms with clients. The factors of the commission charge are either based on volume of trade within the foreign exchange market, or an agreed minimum amount.

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.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	15% Reducing Balance
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BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

1.12 Leases

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

The company's functional and presentational currency is GBP.

2 Judgements 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. 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.

3 Turnover

	2022	Period ended
		31/05/2021
	£	£
Turnover analysed by class of business		
Commissions receivable	296,707	48,525

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

4 Operating profit

	2022	Period ended 31/05/2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(34,363)	4,706
Fees payable to the company's auditor for the audit of the company's financial statements	5,760	4,200
Depreciation of owned tangible fixed assets	83	-
Operating lease charges	460	-
	<u> </u>	<u> </u>

5 Employees

	2022 Number	Period ended 31/05/2021 Number
Employees	3	1
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2022 £	Period ended 31/05/2021 £
Wages and salaries	62,500	-
Social security costs	565	-
Pension costs	440	-
	<u> </u>	<u> </u>
	63,505	-
	<u> </u>	<u> </u>

6 Taxation

	2022 £	Period ended 31/05/2021 £
Current tax		
UK corporation tax on profits for the current period	7,279	2,541
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	333	-
	<u> </u>	<u> </u>
Total tax charge	<u>7,612</u>	<u>2,541</u>

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

6 Taxation

(Continued)

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2022 £	Period ended 31/05/2021 £
Profit before taxation	40,609	13,373
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (Period ended 31/05/2021: 19.00%)	7,716	2,541
Permanent capital allowances in excess of depreciation	(104)	-
Taxation charge for the year	7,612	2,541

7 Tangible fixed assets

	Computers £
Cost	
At 1 June 2021	-
Additions	1,834
At 31 May 2022	1,834
Depreciation and impairment	
At 1 June 2021	-
Depreciation charged in the year	83
At 31 May 2022	83
Carrying amount	
At 31 May 2022	1,751
At 31 May 2021	-

8 Financial instruments

	2022 £	Period ended 31/05/2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	4,363,968	184,012
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
- Other financial liabilities	(4,613,913)	(143,696)

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

9 Debtors

	2022	Period ended 31/05/2021
	£	£
Amounts falling due within one year:		
Trade debtors	19	-
Other debtors	4,371,801	184,012
Prepayments and accrued income	8,722	7,878
	<u>4,380,542</u>	<u>191,890</u>

10 Creditors: amounts falling due within one year

	2022	Period ended 31/05/2021
	£	£
Trade creditors	1,461	-
Corporation tax	7,279	2,541
Other taxation and social security	4,264	-
Other creditors	4,613,896	143,696
Accruals and deferred income	7,629	10,080
	<u>4,634,529</u>	<u>156,317</u>

11 Retirement benefit schemes

	2022	Period ended 31/05/2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	440	-

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

12 Share capital

	2022	Period ended 31/05/2021	2022	Period ended 31/05/2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary Shares of £1 each	200,000	200,000	200,000	200,000

BIDX MARKETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

13 Cash generated from/(absorbed by) operations

	2022 £	Period ended 31/05/2021 £
Profit for the year after tax	32,997	10,832
Adjustments for:		
Taxation charged	7,612	2,541
Depreciation and impairment of tangible fixed assets	83	-
Movements in working capital:		
Increase in debtors	(4,180,819)	(191,890)
Increase in creditors	4,473,474	153,776
Cash generated from/(absorbed by) operations	333,347	(24,741)

14 Analysis of changes in net funds

	1 June 2021 £	Cash flows £	31 May 2022 £
Cash at bank and in hand	175,259	320,806	496,065

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.