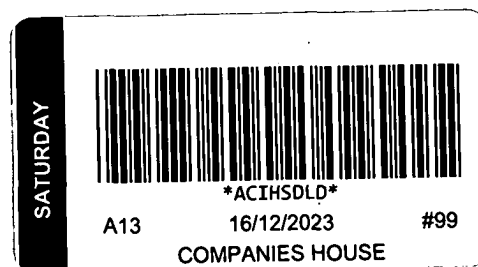


Company Registration No. 11061003 (England and Wales)

ETA MONEY LIMITED

**AMENDED ANNUAL REPORT AND
AUDITED ACCOUNTS FOR THE YEAR
ENDED 30 NOVEMBER 2021**



ETA MONEY LIMITED

ANNUAL REPORT AND AUDITED ACCOUNTS

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**ETA MONEY LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2021**

Directors

Vladimirs Pankratovs
Nikita Olgart

Company Number

11061003 (England and Wales)

Registered Office

SPACES MOORGATE
30 MOORGATE
LONDON
EC2R 6PJ
ENGLAND

ETA MONEY LIMITED
(COMPANY NO: 11061003 ENGLAND AND WALES)
STRATEGIC REPORT

The directors present their strategic report for the year ended 30 November 2021.

Review of the Business

The Principal activity of the company is e-money issuing and provision of acquiring services. The Company is authorised and regulated by the Financial Conduct Authority (FCA) in the UK.

Principal Risks and Uncertainties

The process of risk management is addressed through a framework of policies, procedures and internal controls. Compliance with regulations, legal and ethical standards is a priority for the Company. A detailed analysis of risks applicable is set out below.

Financial Risks:

- Liquidity Risk: The Company needs to ensure it has sufficient liquidity to meet capital requirements. The Company maintains appropriate liquidity buffers and closely monitors liquidity positions.
- Credit Risk: Minimal credit terms are given to all customers.
- Currency Risk: The company is dealing with multiple currencies, exchange rate fluctuations can impact the value of the Company's position. The Company closely monitors the fluctuations to ensure that conversion of currency takes place at the most suitable rates to minimise the exposure.

Operational Risks:

- Technology and IT Risks: The Company is potentially exposed to system failures, cyberattacks, and technical glitches which in principle can disrupt operations. However, the Company invests in robust IT infrastructure, cybersecurity measures, and disaster recovery plans, as well as period third party audits of its systems.
- Fraud and Security Risks: To mitigate the risk of fraudulent activities, such as unauthorised access or transaction fraud, the Company implements strong authentication protocols and fraud detection systems.

Compliance and Regulatory Risks:

- AML and KYC Compliance: Non-compliance with anti-money laundering and know-your-customer regulations can lead to legal actions and reputational damage. Thus, the Company has established a robust AML and KYC procedures, it conducts thorough customer due diligence, and keeps updated on regulatory changes.
- Data Privacy: Mishandling customer data can result in regulatory penalties and loss of customer trust. The Company adheres to data protection regulations, encrypts sensitive data, and implements privacy safeguards.
- Regulatory Changes: The Company stays informed about regulatory developments, engages with regulators, and adapts compliance processes accordingly.

Market and Competitive Risks:

- The Company continuously monitors market trends, innovates to stay competitive, and diversifies services if necessary. The Company prioritises risk identification, assessment, and the development of tailored strategies to manage and mitigate each specific risk it faces.

Future Developments

Future developments include growing the payment and electronic money services offered to its clients.

Key Performance Indicators

The operating environment remained challenging throughout the year. The Company has recorded a loss of £19,372. Shareholders' funds decreased from £321,012 at the start of the period to £301,640 at 30 November 2021.

On behalf of the board of directors

Nikita Olgart
Director

DocuSigned by:

Nikita Olgart

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ETA MONEY LIMITED
(COMPANY NO: 11061003 ENGLAND AND WALES)
DIRECTORS' REPORT

The directors present their report and accounts for the year ended 30 November 2021.

Principal activity

ETA Money is authorised and regulated by the Financial Conduct Authority (FCA) under Electronic Money Regulations (EMR) to operate as an authorised e-money issuer.

Directors

Vladimirs Pankratovs (appointed on 01/05/2020)
Nikita Olgart (appointed on 15/03/2023)
Kristine Sestaka (appointed on 11/08/2021, resigned on 24/03/2023)
Intars Veberis (appointed on 11/05/2020, resigned on 11 August 2021)

Statement of directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law, the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

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

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors

DocuSigned by:

Nikita Olgart

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Nikita Olgart
Director

Approved by the board on: 12/14/2023

ETA Money LTD**Independent Auditors Report to the Members of ETA Money Limited****Opinion**

We have audited the financial statements of ETA Money LTD (the 'company') for the year ended 30 November 2021, which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

Material uncertainty related to going concern

In forming our opinion on the financial statements we have considered the adequacy of the disclosure made in note 2 to the financial statements, which discloses that the directors have identified a material uncertainty related to changing its business model from provision of acquiring services to e-money issuing. These circumstances 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. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included enquiries with management, review of financial performance after the reporting period date and reviewing evidence for continuous financial support from the ultimate beneficiary owners.

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

Other matter

The financial statements of the company for the financial year ended 30 November 2020 were not audited.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 upon the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the accounts are prepared is consistent with the accounts; 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 and the Report of the Directors.

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, operations or 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.

Auditors' responsibilities for the audit of the financial statements

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

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

We performed risk assessment procedures and obtained an understanding of the Company and its environment, the applicable financial reporting framework, the applicable laws and regulations, the Company's system of internal control and the fraud risk factors relevant to the Company that affect the susceptibility of assertions to material misstatement due to fraud. We made enquiries with management regarding actual or suspected fraud, non-compliance with laws and regulations, potential litigation and claims. The engagement partner led a discussion among the audit team with particular emphasis on how and where the Company's financial statements may be susceptible to material misstatement due to fraud, including how fraud might occur. The engagement partner assessed that the engagement team collectively had the appropriate competence and capability to identify or recognise non-compliance with laws and regulations.

We considered compliance with UK Companies Act 2006, the Financial Conduct Authority Handbook and the applicable tax legislation as the key laws and regulations which non-compliance could directly lead to material misstatement due to fraud at the financial statement level. We evaluated whether the selection and application of accounting policies by the Company may be indicative of fraudulent financial reporting. Our audit procedures responsive to assessed risks of material misstatement due to fraud at the assertion level included but were not limited to:

- Testing the appropriateness of manual journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;
- Making inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries;
- Selecting and testing journal entries and other adjustments made at the end of a reporting period and throughout the period;
- Reviewing accounting estimates for biases that could represent a risk of material misstatement due to fraud;
- Reading key correspondence with regulatory authorities such as the Financial Conduct Authority (FCA).

In the course of our audit we noted that as an e-money issuer the Company did not meet the criteria for audit exemption in accordance with s478(b)(i) of the Companies Act and therefore failed to produce audited financial statements for the financial year ended 30 November 2020. Furthermore, as an authorised electronic money institution, the Company has still not met FCA requirements to undergo a safeguarding audit for the client funds it handles.


Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements due to irregularities, including fraud, may not be detected, even though we have properly planned and performed our audit in accordance with the auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as they may involve collusion, forgery, intentional omissions, or override of internal controls.

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

Use of our report

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

Filip Lyapov (Senior Statutory Auditor)
For and on behalf of Zenith Audit Ltd
Statutory Auditors
1st Floor, 18 Devonshire Row
London
EC2M 4RH

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12/14/2023

Date:

ETA MONEY LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2021

	2021	2020
	£	£
Turnover	8,523	554
Cost of sales	(6,682)	(322)
Gross profit	<u>1,841</u>	<u>232</u>
Administrative expenses	(54,889)	(24,556)
Other operating income	33,676	31,406
Operating (loss)/profit	<u>(19,372)</u>	<u>7,082</u>
(Loss)/profit on ordinary activities before taxation	<u>(19,372)</u>	<u>7,082</u>
Tax on (loss)/profit on ordinary activities	3 -	(1,345)
(Loss)/profit for the financial year	<u>(19,372)</u>	<u>5,737</u>

ETA MONEY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2021

	Notes	2021 £	2020 £
Current assets			
Debtors	4	5,693	13,839
Cash at bank and in hand		363,428	313,640
		<u>369,121</u>	<u>327,479</u>
Creditors: amounts falling due within one year	5	(64,876)	(3,862)
Net current assets		<u>304,245</u>	<u>323,617</u>
Total assets less current liabilities		<u>304,245</u>	<u>323,617</u>
Creditors: amounts falling due after more than one year	6	(2,605)	(2,605)
Net assets		<u>301,640</u>	<u>321,012</u>
Capital and reserves			
Called up share capital		110	110
Share premium		315,048	315,048
Profit and loss account		(13,518)	5,854
Shareholders' funds		<u>301,640</u>	<u>321,012</u>

On behalf of the board

Nikita Olgart
Director

DocuSigned by:
Nikita Olgart
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Company Registration No. 11061003

ETA MONEY LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT 30 NOVEMBER 2021

	Share capital £	Share premium £	Profit & loss account £	Total £
At 1 December 2019	110	315,048	117	315,275
Profit for the year			5,737	5,737
At 30 November 2020	110	315,048	5,854	321,012
At 1 December 2020	110	315,048	5,854	321,012
Loss for the year			(19,372)	(19,372)
At 30 November 2021	110	315,048	(13,518)	301,640

ETA MONEY LIMITED
STATEMENT OF CASH FLOWS
AS AT 30 NOVEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit before tax	(19,372)	7,082
Decrease/(Increase) in trade receivables	8,146	(13,839)
Increase in trade payables	61,014	6440
Income Tax paid		(1345)
Cash flows used in/from operating activities	49,788	(1,662)
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	49,788	(1,662)
Cash and cash equivalents at beginning of year	313,640	315,302
Cash and cash equivalents at end of year	363,428	313,640

ETA MONEY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 NOVEMBER 2021

1 Statutory information

ETA Money Limited is a private company, limited by shares, registered in England and Wales, registration number 11061003. The registered office is SPACES MOORGATE, 30 MOORGATE, LONDON, EC2R 6PJ, ENGLAND.

2 Accounting policies

Basis of preparation of Financial Statements

The financial statements have been prepared under the historical cost convention add in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

Amended accounts

These accounts amend the accounts filed with Companies House for the year ended 30 November 2021. The reason for the amendment is that the amended accounts are now audited. The only difference in the numbers is the accrual for audit and accounting fees that related to the audited period.

Presentation currency

The company's functional currency is the euro. The accounts are presented in £ sterling.

Turnover

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 and recognised when prescribed conditions are met:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits will flow to the seller;
- the stage of completion at the balance sheet date can be measured reliably; and
- the costs incurred, or to be incurred, in respect of the transaction can be measured reliably.

Transactional income represents revenue generated from various financial transactions conducted by customers and is recognised when the relevant transaction takes place. Account maintenance income represents the revenue generated from opening, managing and maintaining customer accounts.

Foreign exchange

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Cash and cash equivalents

Cash is represented by cash in hand and deposits held with regulated financial institutions.

Cash held in trust for customers is held in safeguarded bank accounts under the requirements of the FCA Electronic Money Regulations 2011 and are subject to separate mandates agreed and governed by the company together with the company's bankers in order to segregate such funds from other company assets.

Going concern

The directors have identified a material uncertainty related to changing its business model from provision of acquiring services to e-money issuing. At the moment of issuing its financial statements the company is only concentrating on developing its e-money business. The directors are confident that the business has resources to continue as a going concern in the foreseeable future.

Trade and Other Debtors

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the debtors are stated at cost less impairment losses for bad and doubtful debts.

Trade and Other Creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which cases they are stated at cost.

Segregated account funds

Segregated account funds represent amount held in segregated bank accounts, which represent funds held on behalf of consumers and merchants. These segregated bank accounts are segregated from operating funds. In compliance with the segregating provisions within the Financial Conduct Authority ("FCA") and Payment Services Regulations 2017, the company is required to safeguard funds which are received from consumers and merchants which have not yet been disbursed to the intended recipient. The Company has chosen to present the segregated funds as on-balance sheet items.

Clients Monies

Client monies of EUR 60,796.76 (2020: EUR 2,086.56) is segregated from the Company's own monies and is included in cash at bank and in hand during the year.

ETA MONEY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 NOVEMBER 2021

3 Taxation

	2021	2020
	£	£
UK corporation tax	-	1,345

Taxation for the year comprises current and deferred tax.

Current tax is recognised in the Income Statement at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

4 Debtors

	2021	2020
	£	£
Amounts falling due within one year		
Trade debtors	4,649	13,361
Accrued income and prepayments	1,044	478
	<u>5,693</u>	<u>13,839</u>

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	2,344	650
Taxes and social security	-	1,345
Other creditors	51,732	1,867
Accruals	10,800	-
	<u>64,876</u>	<u>3,862</u>

6 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Loans from directors	2,605	2,605

7 Directors' Remuneration

Directors' remuneration for the year were £10,183 (2021: £1,300).

8 Average number of employees

During the year the average number of employees was Nil (2020: Nil).

9 Controlling parties

The company's ultimate controlling party is Mr Nikita Olgart by virtue of his interest in the share capital of the company.

10 Related party transactions

Included in Creditors is a balance of £2,605 owed to Mr Vladimirs Pankratovs, the director the Company. The loan is unsecured, repayable on demand and interest free.

11 Share Capital

Allotted, called up and fully paid: 110 ordinary shares (2020: 110 shares).

12 Auditor's Remuneration

Remuneration received by the company's auditors for the year is £7,800, inclusive of VAT.

13 Auditor Liability Limitation Agreement

An auditors' limitation of liability agreement has been approved by the members for the financial year ended 30 November 2021. The principal terms and conditions are as below:

- The agreement limits the amount of any liability owed to the Company by the auditors in respect of any negligence default, breach of duty or breach of trust, occurring in the course of audit of the Company's accounts and pursuant to this agreement the auditor may be guilty in relation to the Company.
- The agreement also stipulates the maximum aggregated amount payable in event of any of the circumstances stated above.

14 Subsequent events

On 5 October 2023 the Company changed its ultimate beneficiary owner. Mr Pankratovs sold the business to Mr Nikita Olgart.

ETA MONEY LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2021

This schedule does not form part of the statutory accounts.

	2021	2020
	£	£
Turnover		
Sales	8,523	554
Cost of sales	<u>6,682</u>	<u>322</u>
Purchases	6,682	322
Gross profit	<u>1,841</u>	<u>232</u>
Administrative expenses		
Directors' salaries	10,183	1,300
Rent	6,090	1,969
Subscriptions	79	-
Bank charges	7,206	4,817
Loss on foreign exchange transactions	17,365	2,041
Audit fees	7,800	-
Accountancy fees	4,776	-
Consultancy fees	-	12,859
Other legal and professional	1,390	1,570
	<u>54,889</u>	<u>24,556</u>
Other operating income		
Other operating income	33,676	31,406
Operating (loss)/profit	<u>(19,372)</u>	<u>7,082</u>
(Loss)/profit on ordinary activities before taxation	<u>(19,372)</u>	<u>7,082</u>