

Financial Statements for the Year Ended 31 December 2022

for

Noveba Limited

Contents of the Financial Statements
for the Year Ended 31 December 2022

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

DIRECTORS:

Mr M Lasmanis
Mr G Marjevskis

REGISTERED OFFICE:

71-75 Shelton Street
Covent Garden
London
WC2H 9JQ

REGISTERED NUMBER:

11610200 (England and Wales)

AUDITORS:

M Georgiades & Associates
Chartered Certified Accountants &
Statutory Auditors
130A Darkes Lane
Potters Bar
Hertfordshire
EN6 1AF

Balance Sheet
31 December 2022

	Notes	31.12.22 £	£	31.12.21 £	£
FIXED ASSETS					
Intangible assets	4		80,422		77,673
Tangible assets	5		<u>648,777</u>		<u>657,811</u>
			729,199		735,484
CURRENT ASSETS					
Debtors	6	207,537		195,915	
Cash at bank		<u>119,335</u>		<u>48,242</u>	
		326,872		244,157	
CREDITORS					
Amounts falling due within one year	7	<u>285,013</u>		<u>463,367</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>41,859</u>		<u>(219,210)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			771,058		516,274
CREDITORS					
Amounts falling due after more than one year	8		<u>495,430</u>		<u>470,174</u>
NET ASSETS			<u>275,628</u>		<u>46,100</u>
CAPITAL AND RESERVES					
Called up share capital	11		301,257		301,257
Retained earnings	12		<u>(25,629)</u>		<u>(255,157)</u>
SHAREHOLDERS' FUNDS			<u>275,628</u>		<u>46,100</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 31 October 2023 and were signed on its behalf by:

Mr G Marjevskis - Director

Mr M Lasmanis - Director

1. **STATUTORY INFORMATION**

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 GBP£.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned related entities.

Provisions

Provisions (ie./ liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of twenty five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 1% on cost
Fixtures and fittings	- 20% on reducing balance

Debtors

Short term debtors are measured at a transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised costs determined using the effective interest method, less any impairments losses for bad and doubtful debts.

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 statement of financial position 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, 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.

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.

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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

Foreign currencies

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 rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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

Going concern

As at the year end the company had net assets of £275,628 (2021: £46,100). The company is supported by the directors and by related parties. As at the year end 31 December 2022 there were no amounts due to related parties £nil (2021: £150,584) .

The directors have confirmed that balances due to them and related parties under their control have been forgiven and will not be called whilst this may damage the interests of other creditors and for this reason the accounts have been prepared on a going concern basis of accounting.

2. ACCOUNTING POLICIES - continued

Impairment of fixed assets and financial 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.

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.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES - continued**

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.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 2 (2021 - 4) .

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 January 2022	84,151
Additions	<u>6,370</u>
At 31 December 2022	<u>90,521</u>
AMORTISATION	
At 1 January 2022	6,478
Charge for year	<u>3,621</u>
At 31 December 2022	<u>10,099</u>
NET BOOK VALUE	
At 31 December 2022	<u>80,422</u>
At 31 December 2021	<u>77,673</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

5. **TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2022	678,969	21,637	700,606
Additions	-	589	589
At 31 December 2022	<u>678,969</u>	<u>22,226</u>	<u>701,195</u>
DEPRECIATION			
At 1 January 2022	34,734	8,061	42,795
Charge for year	6,790	2,833	9,623
At 31 December 2022	<u>41,524</u>	<u>10,894</u>	<u>52,418</u>
NET BOOK VALUE			
At 31 December 2022	<u>637,445</u>	<u>11,332</u>	<u>648,777</u>
At 31 December 2021	<u>644,235</u>	<u>13,576</u>	<u>657,811</u>

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

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.

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Trade debtors	2,431	1,998
Other debtors	9,036	8,576
VAT	13,400	-
Deferred tax asset		
Accelerated capital allowances	182,300	183,871
Prepayments	370	1,470
	<u>207,537</u>	<u>195,915</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Bank loans and overdrafts (see note 9)	5,635	5,089
Trade creditors	33,782	12,975
Amounts owed to group undertakings	-	129,588
Social security and other taxes	2,229	11,402
VAT	-	12,643
Other creditors	10,161	134,709
Amounts due to clients	155,113	74,124
Accrued expenses	78,093	82,837
	<u>285,013</u>	<u>463,367</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.22	31.12.21
	£	£
Other creditors	<u>495,430</u>	<u>470,174</u>

During the year Mr Maris Lasmanis, a shareholder of the company, has forgiven his loan which was stood at the year end at GBP £376,976 (2021: GBP £150,584). The Board of Directors has agreed that this loan should be written off in full and Mr Lasmanis discharged from the liability and any other commitments associated with that loan in the future of what so ever.

Other creditors amount totalling of €559,836 Euros (2021: €620,248 Euros) equating to GBP £495,430 (2021: GBP £470,174) was taken out for the purposes of purchasing a property, which is due to be repaid over the period of a 10 year period with interest payable at the rate of 7%. This loan is secured on Vesivärava tn 50-408.

9. **LOANS**

An analysis of the maturity of loans is given below:

	31.12.22	31.12.21
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>5,635</u>	<u>5,089</u>

10. **DEFERRED TAX**

	£
Balance at 1 January 2022	(183,871)
Provided during year	<u>1,571</u>
Balance at 31 December 2022	<u>(182,300)</u>

11. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.22	31.12.21
			£	£
100	Ordinary	£1.00	<u>100</u>	<u>100</u>
Allotted and issued:				
Number:	Class:	Nominal value:	31.12.22	31.12.21
			£	£
350,000	Share capital 2	€1.00	<u>301,157</u>	<u>301,157</u>

12. **RESERVES**

	Retained earnings
	£
At 1 January 2022	(255,157)
Profit for the year	<u>229,528</u>
At 31 December 2022	<u>(25,629)</u>

13. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

We draw your attention to notes of the financial statements, which describes the Company's assessment of the COVID-19 impact on its ability to continue as a going concern. The Company have explained that the events arising from the COVID-19 outbreak do not impact its use of the going concern basis of preparation nor do they cast significant doubt about the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our opinion is not modified in this respect.

Mr Marios Georghiades, FCCA FMAAT (Senior Statutory Auditor)
for and on behalf of M Georghiades & Associates

14. CONTINGENT LIABILITIES

The company had no any contingent liabilities as at 31st December 2022.

15. OTHER FINANCIAL COMMITMENTS

The company had no any other financial commitments as at 31st December 2022.

16. POST BALANCE SHEET EVENTS

There have not been any significant events since the balance sheet date.

There were no essential either adjusting events or non-adjusting events in the period of time elapsing between the balance sheet date and the date on which these financial statements are prepared. The impact of COVID-19 is described in the Going Concern Consideration Note.

The ongoing Russia - Ukraine conflict - This ongoing conflict has resulted in going concern becoming a significant risk. The United States and Europe have avoided direct military conflict with Russia amid its conflict with Ukraine. They have however used a set of financial sanctions to limit Russia's access to financial resources. The impact of the sanctions may result in difficulties for the company to operate. Neither Noveba Limited nor the owners are currently on the sanctions list at the time of this report, however this may change as the situation changes.

17. ULTIMATE CONTROLLING PARTY

The controlling party is Mr M Lasmanis.

A company director who owns 85% of the company's share capital.

18. GOING CONCERN CONSIDERATION

The Company's management does not see a severe impact of COVID-19 outbreak to its activity. The Company tested the financial impact on the following areas of financial statements that can be affected:

- Breach of trade contracts
- Revenue
- Cost of sales
- Inventories fair value measurements
- Debt repayment

19. COVID-19 AND ITS POTENTIAL IMPLICATIONS ON BUSINESS CONTINUITY

The World Health Organisation declared the outbreak of COVID-19 as a pandemic on 11 March 2020, which was followed on 23 March 2020 by the announcement of lockdown restrictions by the UK Government. These restrictions have remained in force to varying extents subsequent to the accounting date.

The full impact of COVID-19 on the company remains uncertain as at the date of approval of the financial statements, and whilst the Directors are mindful of ongoing developments, as at the date of approval of these financial statements they are not aware of any further material events which would warrant disclosure other than the factors disclosed herein. The Directors are aware of the need to monitor and govern this developing risk on the activities of the company on an ongoing basis.

The Directors of the do not foresee COVID-19 related issues affecting business continuity of the company.

20. ENVIRONMENTAL RISKS AND CLIMATE CHANGES RESPONSIBILITIES

Environmental Risks

Due to the nature of the entity's operational activities there's no exposure to significant environmental risks.

Climate changes and environmental responsibility

Despite the fact that our organisation principal activity is continued to be that of the development and provision of an e-wallet payment system related services, we are always consider the environmental sustainability. Future business performance will be impacted by our ability to effectively manage the transition to a low carbon economy balancing commercial decisions with the environmental responsibility, agreeing business-wide decarbonisation priorities and managing changes in customer preferences.

This include management of the increasing costs associated with sustainable materials, recycling carbon pricing and further technological, policy and regulatory interventions.

We are operating in a world and a sector with high pressure from carbon-conscious customers, government bodies and regulators to operate in a more environmentally conscious manner. To respond to the circular economy, waste reduction and low carbon products and use of a recycled products, parts and other related components.

21. **RISK MANAGEMENT**

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterpart to a financial instrument fails to meet its contractual obligation, and arises principally from the Company's receivables from customers and cash balances. The company had trade receivables from its major customer, a strong multinational company for which there is no significant credit risk. All trade receivables were paid following the year end.

Market risk - Foreign currency risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

The company does not have exposure to market risk within its balance sheet.

Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due.

The company's objective for managing its liquidity is to have enough cash reserves in order to meet its financial obligations as they fall due.

Other risks:

Brexit

The Company need to continue to assess the nature and extent of risks and uncertainties arising from Brexit. The UK and EU are still within negotiations as to how the future trading relationship will operate after the transition period has ended. The conclusion of those discussions and subsequent agreements may impact on the future performance and position of the business including its solvency, liquidity and going concern. As such, appropriate disclosures should be given as part of the reporting requirements within the Strategic Report/Directors' Report.

Coronavirus

The spread of coronavirus (COVID-19) is having a disrupting effect on global markets, staffing, supply chains, and general business operations. Whilst the outbreak was initially focussed in China, it has spread across a significant number of countries worldwide.

As such, the Company should assess the nature and extent of risks and uncertainties arising from the coronavirus. In doing so, the Company should consider what disclosures should be included within the Strategic Report/Directors' Report, where relevant.

It is important to remember that the disclosures needed in the Strategic Report/Directors' Report are likely to change over time as new information comes to light.

22. **OTHER INFORMATION**

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

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.