

COMPANY NUMBER:  
06984177

**ALTERY LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**ALTERY LTD**

**COMPANY INFORMATION**

**Directors** Moriam Olabisi Giwa (appointed 18 September 2023)  
Ann Mee (appointed 19 October 2023)

**Registered number** 06984177

**Registered office** One Canada Square  
Office 24  
HGS 24  
London  
E14 5AB

**Independent auditors** PKF Littlejohn LLP  
15 Westferry Circus  
London  
E14 4HD

## **ALTERY LTD**

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**ALTERY LTD**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Board of Directors has pleasure in presenting their strategic report for the year ended 31 December 2023.

**Principal activity**

The principal activity of the company continued to be that of an electronic money institution.

**Business review**

The Company has been registered with the FCA since October 2019 under Firm Reference Number 901037. It has been authorised by the FCA as an Electronic Money Institution since 7 July 2020, granting it permission to issue electronic money (e-money) and conduct a wide range of payment services. Below is a full list of regulated activities that the Company is permitted to conduct:

- Services enabling cash placement on a payment account;
- Services enabling cash withdrawals from a payment account;
- Execution of payment transactions;
- Issuing payment instruments or acquiring payment transactions;
- Money remittance;
- Issuing Electronic Money (e-money).

**Key performance indicators – financial and non-financial**

	<b>2023</b>	<b>2022</b>
<b>Financial:</b>	<b>£</b>	<b>£</b>
Turnover	<b>35,706</b>	<b>373,760</b>
Operating profit / (loss)	<b>(4,254,804)</b>	<b>(432,335)</b>
	<b>2023</b>	<b>2022</b>
<b>Non-Financial:</b>		
Average number of employees	<b>23</b>	<b>7</b>
E-wallet accounts	<b>147</b>	<b>14</b>

**Principal risks and uncertainties**

The main goal of risk management is to ensure that appropriate policies and procedures are in place to enable the effective management of the risks to which the Company is exposed and to ensure that these policies and procedures are effectively implemented and executed.

<b>Matter of concern</b>	<b>Potential impact on the Company</b>	<b>Mitigating actions</b>
Regulatory risk	Failure to comply with the regulatory requirements could lead to fines or other disciplinary action.	<p>The management team monitors changes in regulation and assesses the impact that any changes may have on the business and plans to ensure they have sufficient resources to implement those changes.</p> <p>The company has developed and implemented a comprehensive set of measures to identify, manage and control all AML risks starting at on-boarding customers' stage.</p>

**ALTERY LTD**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

Market risks	Market risk is about changes in open positions in interest rate, currency and equity financial instruments.	The management team regularly monitors exchange rates and market forecast exchange rates, as well as preparing budgets and business plans for the long, medium and short term.
Economic uncertainty	This represents the impact of economic shocks can have on the business. Considered current global situation, the occurrence of these risks could impact the rate at which the Company grows.	<p>The management team believes that the built product is core to people`s lives, and as such, this should mean that we may increase the significance of the role of the product to the customers during challenging economic conditions. For example, throughout the pandemic.</p> <p>The company holds adequate capital and liquidity to ensure it can sustain operations and avoid unnecessary harms to customers or any other stakeholders. Capital and liquidity levels are carefully monitored on a regular basis, with clear thresholds and appetites established to determine how much is needed and when in line with Regulatory requirements regarding the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP).</p>
Liquidity risk	The risk is that the Company cannot meet its financial obligations when they fall due.	A robust planning and forecasting process is implemented with the full involvement of the management team. Updates and reviews are performed regularly and as needed and in line with Regulatory requirements regarding the ILAAP.
Third-party risk	Certain third parties are critical to ensuring that the Company can offer the services to customers and operate the business on a day-to-day basis. This is a risk that if the Company fails to maintain or acquire appropriate external services and vendors, this will result in reputational, operational, and possibly, legal or regulatory risks, directly or indirectly.	The Company mitigates this risk through: - a careful due diligence and onboarding process; - ongoing monitoring; - responsibility of the senior management team.

## ALTERY LTD

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

#### S172 Statement

The Section 172 statement outlines how the Board has incorporated stakeholder considerations into its decision-making processes. According to Section 172 of the Companies Act 2006, directors are obligated to act in a manner they believe, in good faith, would most likely promote the long-term success of the company for the benefit of its members as a whole. This includes taking into account the interests of various stakeholders and other relevant factors.

The Board fully supports and adheres to these requirements. The Company is pleased to share below how the Board engages with its stakeholders. The Company's key stakeholders are crucial to the successful operation of the business. The Board acknowledges and takes seriously its responsibilities to these stakeholders under the Act.

The Board believes that its decisions and actions to date have promoted the success of the Company for the benefit of its members as a whole, while considering the interests of stakeholders and the matters outlined in Section 172(1)(a-f) of the Act. It has identified the Company's key stakeholders as employees, customers, suppliers, vendors, the environment, the communities in which it operates, and investors. The Board receives regular updates on these stakeholders and takes steps to ensure it remains well-informed about them.

In so doing, the Board have regard to the following matters:

#### Long-term decision making

The Board has put in place a structured governance model that includes scheduled committee and Board meetings, as well as clear documentation and authority levels to guide its decision-making process. This governance model helps to ensure that decisions are well-considered, documented, and reported, and that they align with the Company's strategic plans. Detailed budgets and forecasts are prepared to allow the Board to track performance, ensuring it meets expectations or that corrective steps are taken to align performance with expectations. The Board operates within this framework to promote the Company's success and deliver long-term shareholder value. Business proposals are documented according to authority levels, and performance is tracked against these levels.

#### 1. High standards of business conduct

Through its oversight and monitoring role, the Board requires all staff to work to the highest standards of business conduct. This commitment is reinforced by senior management setting the appropriate 'tone from the top,' along with ongoing communication, awareness, and training in acceptable company conduct. Any reports of inappropriate behavior are independently investigated, and action is taken when necessary.

The employees must comply with Company's values as well as requirements of the FCA, which sets a high standard for conduct and business relationships. This compliance is supported by a comprehensive suite of Policies and Procedures.

#### 2. Employees

We believe our employees act with the utmost integrity and professional expertise, providing our customers with premium services. The Board ensures that employees are fairly rewarded and incentivized to deliver the Company's strategy.

Regular employee surveys are conducted to monitor emerging issues, forming the basis for action plans. Employee consultation occurs when their views need to be considered in Company decisions that may affect their interests. All employees are kept informed about Company news and financial performance through monthly business updates.

Employees are actively encouraged to share their feedback, both positive and negative. This feedback is reviewed by direct line management and the leadership team to ensure actions are taken to improve staff satisfaction and engagement within the Company.

## ALTERY LTD

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

#### 3. Customers, suppliers and others

The Board is fully informed about the Company's interactions with customers and key third-party relationships, including suppliers, service providers, and regulatory bodies. The Board prioritizes the integrity and robustness of supplier agreements, ensuring a reliable supply of goods and services. Regular scrutiny of third-party suppliers is conducted to prevent any issues that could harm the Company's reputation or finances. All agreements with third parties are documented in writing with clearly defined terms and conditions covering service levels, payment terms, and working practices.

The Company actively seeks and encourages transparent two-way communication with suppliers, emphasizing the importance of providing customers with the best possible service. We are fully in compliance with the Consumer Duty as per regulated entity.

#### 4. Community and the environment

The Board is committed to ensuring the Company's business remains sustainable for the community, environment, and all those affected by its activities. Collaboration with quality partners is considered crucial for the Company's long-term success and sustainability.

#### 5. Investors

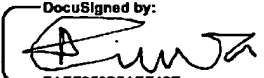
Investors are critical to the Company as they provide the scarce risk capital necessary for growth and future investment. However, they prioritize sustainable growth over growth at all costs, showing interest in the Company's business plan, strategy execution, governance, and the remuneration approach for both the Board and senior management.

To support this, the Board encourages two-way communication with shareholders, ensuring all questions or issues are addressed promptly. Directors maintain regular, direct contact with shareholders and communicate their opinions to the Board as needed, fostering ongoing dialogue throughout the year.

#### Company's strategy and future outlook

The Company's strategy is to continue operating within the Fin-tech sector for the medium to long term. In the shorter term, the Company aims to win more business with its customers. With the capabilities gained through recent strategic changes, the Board believes the Company has the expertise to significantly redevelop its services and strengthen its position in the Fin-tech market.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
EAEF853B7AEF42E  
**Moriam Olabisi Giwa**  
Director

Date: 19 September 2024

## ALTERY LTD

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their report and the financial statements for the year ended 31 December 2023.

#### Directors

The directors who served during the year were:

Dzmitry Remsha (resigned 19 September 2023)  
Satish Samtani (resigned 30 August 2023)  
Moriām Olabisi Giwa (appointed 18 September 2023)  
Ann Mee (appointed 19 October 2023)

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.


#### Post balance sheet events

Since 31 December 2023, the company allotted a further 4,423,148 shares of £1 each. At the date of signing the financial statements the share capital amount is 6,697,720 shares of £1 each.

#### Auditors

The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
EAEF95387AEF42E...  
Moriām Olabisi Giwa  
Director

Date: 19 September 2024

## **ALTERY LTD**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **ALTERY LTD**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALTERY LTD**

#### **Opinion**

We have audited the financial statements of Altery Ltd (the 'company') for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, 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 December 2023 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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.

## **ALTERY LTD**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALTERY LTD (CONTINUED)**

#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

#### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 6, 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.

## **ALTERY LTD**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALTERY LTD (CONTINUED)**

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

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

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from the Electronic Money Regulations 2011, the Money Laundering Regulations, relevant FCA rules, Companies Act 2006 and UK tax legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to:
  - Enquiries of management as to if there had been any instances of non-compliance;
  - Review of board minutes to identify any instances of undisclosed non-compliance;
  - Review of regulatory correspondence; and
  - Review of legal expenses incurred during the year.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included but were not limited to: the testing of journals; evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and preliminary and final analytical reviews to identify any unusual or unexpected relationships or variances.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' 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.

**ALTERY LTD**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALTERY LTD (CONTINUED)**



Azhar Rana (Senior statutory auditor)

for and on behalf of  
**PKF Littlejohn LLP**

15 Westferry Circus  
London  
E14 4HD

Date: 19 September 2024

**ALTERY LTD**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2023**

		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Turnover	4	35,706	373,760
Cost of sales		(187,882)	-
<b>Gross (loss)/profit</b>		<u>(152,176)</u>	<u>373,760</u>
Administrative expenses		(4,102,628)	(806,095)
<b>Operating loss</b>	5	<u>(4,254,804)</u>	<u>(432,335)</u>
Interest receivable and similar income		4,803	-
<b>Loss before tax</b>		<u>(4,250,001)</u>	<u>(432,335)</u>
<b>Loss for the financial year</b>		<u>(4,250,001)</u>	<u>(432,335)</u>
<b>Total comprehensive income for the year</b>		<u>(4,250,001)</u>	<u>(432,335)</u>

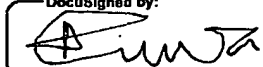
The notes on pages 16 to 26 form part of these financial statements.

**ALTERY LTD**  
**REGISTERED NUMBER: 06984177**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	10	8,232	670
		<u>8,232</u>	<u>670</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	222,648	658,002
Safeguarded cash held on behalf of clients	13	466,328	2,497,337
Cash at bank and in hand	12	921,405	555,239
		<u>1,610,381</u>	<u>3,710,578</u>
E-money float	13	(466,328)	(2,497,337)
Creditors: amounts falling due within one year	14	(201,515)	(148,904)
<b>Net current assets</b>		<b>942,538</b>	<b>1,064,337</b>
<b>Net assets</b>		<b><u>950,770</u></b>	<b><u>1,065,007</u></b>
<b>Capital and reserves</b>			
Called up share capital	15	2,274,572	894,546
Capital contribution		3,855,738	1,100,000
Profit and loss account		(5,179,540)	(929,539)
		<u>950,770</u>	<u>1,065,007</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
EAEF953B7AEF42E...  
**Moriam Olabisi Giwa**  
 Director

Date: 19 September 2024

The notes on pages 16 to 26 form part of these financial statements.

**ALTERY LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital £	Capital contribution s £	Profit and loss account £	Total equity £
<b>At 1 January 2022</b>	894,546	-	(497,204)	397,342
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(432,335)	(432,335)
Capital Contributions	-	1,100,000	-	1,100,000
<b>At 1 January 2023</b>	<u>894,546</u>	<u>1,100,000</u>	<u>(929,539)</u>	<u>1,065,007</u>
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(4,250,001)	(4,250,001)
Shares issued during the year	1,380,026	-	-	1,380,026
Capital Contributions	-	2,755,738	-	2,755,738
<b>At 31 December 2023</b>	<u><u>2,274,572</u></u>	<u><u>3,855,738</u></u>	<u><u>(5,179,540)</u></u>	<u><u>950,770</u></u>

The notes on pages 16 to 26 form part of these financial statements.

**ALTERY LTD**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(4,250,001)	(432,335)
<b>Adjustments for:</b>		
Depreciation of tangible assets	1,559	820
Interest received	(4,803)	-
Decrease/(increase) in debtors	435,355	(563,976)
Increase in creditors	52,610	121,136
<b>Net cash generated from operating activities</b>	<b>(3,765,280)</b>	<b>(874,355)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(9,121)	-
Interest received	4,803	-
<b>Net cash from investing activities</b>	<b>(4,318)</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	1,380,026	-
Capital contributions received	2,755,738	1,100,000
<b>Net cash used in financing activities</b>	<b>4,135,764</b>	<b>1,100,000</b>
<b>Net increase in cash and cash equivalents</b>	<b>366,166</b>	<b>225,645</b>
Cash and cash equivalents at beginning of year	555,239	329,594
<b>Cash and cash equivalents at the end of year</b>	<b>921,405</b>	<b>555,239</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	921,405	555,239
	<b>921,405</b>	<b>555,239</b>

The notes on pages 16 to 26 form part of these financial statements.

**ALTERY LTD**

**ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>At 1 January 2023 £</b>	<b>Cash flows £</b>	<b>At 31 December 2023 £</b>
Cash at bank and in hand	555,239	366,166	921,405
	<u>555,239</u>	<u>366,166</u>	<u>921,405</u>

The notes on pages 16 to 26 form part of these financial statements.

## **ALTERY LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **1. General information**

Altery Ltd is a private company limited by shares incorporated in England and Wales. The registered office is One Canada Square, Office 24, HGS 24, London, E14 5AB.

The Company changed its name on 28 September 2023 from Recary Ltd.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that, despite the extent of the losses incurred, the Company has adequate resources available from related parties 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.

##### **2.3 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.

##### **2.4 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.

##### **2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

##### **2.6 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.

## ALTERY LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 2. Accounting policies (continued)

##### 2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25%
Fixtures and fittings	-	25%

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.

##### 2.7 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.8 Cash and cash equivalents

Cash 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.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

##### 2.9 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.10 Capital contribution

A capital contribution is the contribution to the equity capital of the company without an exchange of shares. Capital contributions from equity investors are recorded by the company as an increase in equity. They are shown as a capital contribution reserve.

## ALTERY LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 2. Accounting policies (continued)

##### 2.11 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.

##### **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.

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.

##### 2.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

##### 2.13 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.

**ALTERY LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. Accounting policies (continued)**

**2.14 Retirement benefits**

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

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

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

There were no significant judgments or key sources in estimation uncertainty used management in preparing these financial statements.

**4. Turnover**

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

	<b>2023</b>	<b>2022</b>
	£	£
Retainer fees	15,000	344,213
Commission	20,706	23,547
Onboarding fees	-	6,000
	<u>35,706</u>	<u>373,760</u>

Analysis of turnover by country of destination:

	<b>2023</b>	<b>2022</b>
	£	£
Rest of world	35,667	373,760
UK	39	-
	<u>35,706</u>	<u>373,760</u>

**ALTERY LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**5. Operating loss**

The operating loss is stated after charging:

	2023 £	2022 £
Rent	172,634	126,682
Exchange differences	52,594	(23,305)
Tangible assets depreciation	1,559	820
	<u>174,787</u>	<u>104,197</u>

**6. Auditors' remuneration**

During the year, the Company obtained the following services from the Company's auditors:

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	45,000	40,000
Fees payable to the Company's auditors in respect of:		
Taxation compliance services	5,184	2,600
Preparation of financial statements	4,500	3,000
	<u>54,684</u>	<u>45,600</u>

**7. Employees**

	2023 £	2022 £
Wages and salaries	1,675,406	314,561
Social security costs	191,916	35,927
Cost of defined contribution scheme	20,368	3,581
	<u>1,887,690</u>	<u>354,069</u>

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

	2023 No.	2022 No.
Average number of employees	<u>23</u>	<u>7</u>

**ALTERY LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. Directors' remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	<b>202,876</b>	<b>151,583</b>
Company contributions to defined contribution pension schemes	<b>881</b>	<b>1,255</b>
	<b><u>203,757</u></b>	<b><u>152,838</u></b>

Retirement benefits are accruing to 1 (2022: 1) Director under a defined contribution pension scheme.

**9. Taxation**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Total current tax</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Taxation on profit on ordinary activities</b>	<b><u>-</u></b>	<b><u>-</u></b>

**ALTERY LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**9. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - *the same as*) the standard rate of corporation tax in the UK of 23.52% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Loss on ordinary activities before tax	<u>(4,250,001)</u>	<u>(432,335)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.52% (2022 - 19%)	(999,624)	(82,143)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	608	(28,946)
Remeasurement of deferred tax for changes in tax rates	(62,838)	-
Movement in deferred tax not recognised	1,061,854	111,089
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. For the financial year ended 31 December 2023, the current weighted averaged tax rate was 23.52%.

**ALTERY LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****10. Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2023	4,826	3,065	7,891
Additions	-	9,121	9,121
At 31 December 2023	<u>4,826</u>	<u>12,186</u>	<u>17,012</u>
<b>Depreciation</b>			
At 1 January 2023	4,826	2,395	7,221
Charge for the year on owned assets	-	1,559	1,559
At 31 December 2023	<u>4,826</u>	<u>3,954</u>	<u>8,780</u>
<b>Net book value</b>			
At 31 December 2023	<u>-</u>	<u>8,232</u>	<u>8,232</u>
At 31 December 2022	<u>-</u>	<u>670</u>	<u>670</u>

**11. Debtors**

	2023 £	2022 £
Trade debtors	-	18,555
Amounts owed by group undertakings	150,709	-
Other debtors	-	613,781
Prepayments and accrued income	59,914	13,641
Tax recoverable	12,025	12,025
	<u>222,648</u>	<u>658,002</u>

**12. Cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	921,405	555,239
	<u>921,405</u>	<u>555,239</u>

**ALTERY LTD****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****13. Safeguarded cash held on behalf of clients**

Altery Ltd, an FCA regulated entity, is required to have qualifying liquid assets (comprising of cash and cash equivalents) equal to the e-money float. The e-money float represents amounts received into customer e-wallet accounts and these amounts are recognised on the approval of the initiated transactions.

For the years ended 31 December 2023 and 31 December 2022 Altery Ltd was in compliance with the requirement to have at all times liquid assets in excess of the e-money float. The respective balances are presented below:

	2023	2022
	£	£
Qualifying liquid assets	1,387,833	3,052,576
E-money float	466,328	2,497,337

	2023	2022
	£	£
Safeguarded bank accounts within the EEA	466,328	2,497,337
E-money float	466,328	2,497,337

The Company holds assets on behalf of its customers totalling £466,328 (2022: £2,497,337). The Company manages safeguarded funds that are held in segregated bank or investments accounts. The balances in these segregated accounts belong to the Company's customers and represent cash given in return for the issuance of e-money. The Company does not have rights or controls to disburse the balances in these accounts unless it is acting in accordance with instruction received from its customers to redeem the e-money that has been issued. When e-money is issued to a customer, a liability against the Company is recognised on the balance sheet. With consideration of the preceding facts, the recognition of these assets and liabilities in the balance sheet is considered relevant to a full understanding of the Company's financial performance and financial solvency position.

**14. Creditors: Amounts falling due within one year**

	2023	2022
	£	£
Trade creditors	140,178	33,131
Other taxation and social security	5,064	59,668
Other creditors	5,383	3,139
Accruals and deferred income	50,890	52,966
	<u>201,515</u>	<u>148,904</u>

**ALTERY LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**15. Share capital**

	2023 £	2022 £
<b>Issued and fully paid</b>		
2,274,572 (2022 - 894,546) Ordinary Shares shares of £1.00 each	<u>2,274,572</u>	<u>894,546</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

During the year, The Company issued and fully paid 1,380,026 ordinary shares of £1.00 each.

**16. Reserves**

**Capital Contribution**

The capital contribution reserve represents the contributions from equity investors where there is no exchange of shares.

**17. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund and the contributions in the year amounted to £20,368 (2022: £3,581). There were no amounts outstanding at year end (2022: £Nil).

**18. Commitments under operating leases**

At 31 December 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	<u>56,000</u>	<u>56,000</u>
	<u>56,000</u>	<u>56,000</u>

## **ALTERY LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **19. Related party transactions**

During the year the company entered into the following transactions with related parties:

During the year Altery Limited sold services to related parties with a common directorship in the amount of £11,169 (2022: £48,480) net of value added tax. At the year end the balance due to Altery Ltd in regards to these transactions amounted to £nil (2022: £4,555). At the year end, a balance of £150,709 was owed from the parent company.

During the year Altery Limited purchased services from related parties with a common directorship in the amount of £56,697 (2022: £28,015) net of value added tax. At the year end the balance due to the related parties in regard to these transactions amounted to £nil (2022: £nil).

At the year end, amounts in the segregated safeguarding account in respect of funds held on behalf of related parties with common directorships amounted to £nil (2022: £1,317,271) and on behalf of the parent company was £150,260 (2022: £nil).

#### **20. Post balance sheet events**

Since 31 December 2023, the company allotted a further 4,423,148 shares of £1 each. At the date of signing the financial statements the share capital amount is 6,697,720 shares of £1 each.

#### **21. Controlling party**

Till 24 August 2023, the Company was under the control of the director Dzmitry Remsha, by virtue of his controlling interest in the issued share capital of the Company.

On 11 May 2023 the Company submitted a Change of Control application to the FCA. On 14 August 2023, the application was approved by the FCA. From 6 September 2023, the Company is under the control of NFTS AG.