

Registered number: 06984177

ALTERY LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



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 2022**

The Board of Directors have pleasure in presenting their strategic report for the year ended 31 December 2022.

Business review

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

- Services enabling cash placement on a payment account;
- Services enabling cash withdrawals from a payment account;
- Execution of payment transactions (covered and not covered by a credit line);
- Issuing payment instruments or acquiring payment transactions;
- Money remittance;
- Issuing Electronic Money.

Principal risks and uncertainties

	2022	2021
	£	£
Financial:		
Turnover	373,760	214,136
Operating profit / (loss)	(432,335)	(194,612)
	2022	2021
Non-Financial:		
Average number of employees	7	5
E-wallet accounts	14	29

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.

Matter of concern	Potential impact on the Company	Mitigating actions
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 onboarding customers' stage.</p>
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.

ALTERY LTD

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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.	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. The company holds adequate capital and liquidity to ensure it can sustain operations and avoid unnecessary harms to customers or any other stakeholders. The capital and liquidity capital is carefully monitored on a regular basis. The Company has clear thresholds and appetites for how much is needed and when.
Liquidity risk	The risk is that the Company cannot meet its financial obligations when they fall due.	There is a robust planning and forecasting process is implemented which has the full involvement of the management team. The update and review is performed on a regular basis and on demand.
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; - the share of this responsibility with the senior management team.

ALTERY LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

S172 Statement

The section 172 statement summarises how the Board has factored stakeholder considerations into decision-making. Section 172 of the Companies Act 2006 (the Act) imposes a duty on a director to act in a way that he or she considers, in good faith, would be most likely to promote the long-term success of the company for the benefit of its members as a whole. In doing so, the directors have regard to the various matters including the interests of stakeholders as well as various other matters.

The Board is fully aware of and supports these requirements. The Company is pleased to describe below how the Board engages with its stakeholders. The Company's key stakeholders have an important role to play in the successful operation of the business. The Board is fully aware of, and takes seriously, their responsibilities to those stakeholders under the Act.

The Board considers that, in its decisions and actions to date, it has acted in a way that would promote the success of the Company for the benefit of its members as a whole, while having regard to stakeholders and matters set out in Section 172(1) (a–f) of the Act. It has identified the Company's key stakeholders as its employees, customers, suppliers and vendors, the environment and communities in which it operates, and investors. It receives updates on each of these and takes steps to ensure that 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, with scheduled Board meetings and clear documentation and authority levels to control its decision-making process. The governance model supports the Group in ensuring that decisions are considered, documented and reported upon, and in alignment with the strategic plans. Detailed budgets and reforecasts are prepared to enable the Board to track performance and ensure that it is as expected, or that mitigation steps are taken to deliver performance in line with, or close to, expectations. The Board operates within this structure, with the aim of promoting the success of the company and delivering long-term shareholder value. Business proposals are documented in line with, and performance tracked against, levels of authority.

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. The focus is to do what is right ahead of what is easy. This is supported through ongoing communication and awareness of, and training in, acceptable company conduct. Any reports of inappropriate behavior are independently investigated, and action taken where necessary.

The employees must comply with Company's values as well as requirements of the FCA, which sets a high bar for conduct and how relationships and business are managed. This includes a comprehensive suite of Policies and Procedures.

2. Employees

We consider that our employees act with the utmost integrity and professional expertise in providing our customers with premium services. In doing so, the Board considers that its employees are both rewarded fairly and incentivised to deliver the Company's strategy.

Employee surveys are undertaken regularly to monitor issues arising and these surveys form the basis of action plans. Consultation with employees happens when their views need to be considered in decisions the Company's needs to make that will likely affect their interests. All employees are kept abreast of Company news and financial performance in a monthly business updates.

Employees are actively urged to share their feedback, be it positive or negative, which is then reviewed by direct line management and the leadership team to ensure that the actions are taken to improve staff satisfaction and engagement within the Company.

ALTERY LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3. Customers, suppliers and others

The Board is kept fully informed about the Company's interactions with customers and key third party relationships, be they suppliers or other key providers of services or regulatory oversight. The Board places the utmost importance on the integrity of the supplier agreements with a focus on the robustness of supply of goods and services. All third-party suppliers are regularly scrutinised so as to ensure that there are no matters that could potentially harm business reputation or be financially damaging to the Company. All agreements with third parties are set out in writing with clearly documented terms and conditions that cover, amongst other things, levels of service, payment terms and working practices.

Transparent two-way communication with the suppliers is actively sought and encouraged. The Company feels very strongly about the customers and providing them with the best service available.

4. Community and the environment

The Board is committed to ensuring the Company's business remains sustainable for the community, environment and others affected by its activities. It considers collaboration with quality partners important in ensuring the Company's long-term success and sustainability.

5. Investors

The investors are critical to the Company. They provide it with scarce risk capital that enables the firm to grow and invest for the future. However, they are not interested in growth at all costs. They take interest in Company's business plan, the strategy at to its execution, its governance, approach to remuneration of both the Board and other members of the senior management team.

To achieve this, the Board encourages two-way communication with the shareholder and responds appropriately to ensure all questions or issues received from them are addressed in a timely manner.

The directors have regular, direct contact with the shareholder and make sure that their opinions are communicated to the Board as needed. There have been regular dialogues with the shareholder during the year.

Company's strategy and future outlook

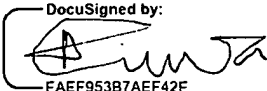
The Company's strategy is to remain operating within the Fin-tech sector for the medium to long term. However, in the shorter term the Company is looking to win more business with its customers. Taking into account the capabilities that have been added through strategic changes, the Board considers that the Company has the expertise to deeply redevelop its services as well as improve its position in the Fin-tech market.

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

Moriam Olabisi Giwa

Director

Date:

DocuSigned by:

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18 December 2023

ALTERY LTD

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The director presents his report and the financial statements for the year ended 31 December 2022.

Directors

The directors who served during and after the year were:

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

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- 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

On 28 September 2023, the Company changed its name from Recary Ltd to Altery Ltd.

On 15th November 2023 the company allotted a further 870,789 shares of £1 each.

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.

Auditors

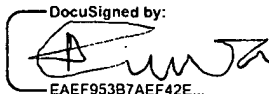
The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

18 December 2023

Moriam Olabisi Giwa
Director

Date:

DocuSigned by:

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ALTERY LTD

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 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 director's 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The director is 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.

ALTERY LTD

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

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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's 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 Director's 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 director's 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 Director's responsibilities statement set out on page 6, the director is 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 director determines 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 director is 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 director either intends 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:
 - o Enquiries of management as to if there had been any instances of non-compliance;
 - o Review of board minutes to identify any instances of undisclosed non-compliance;
 - o Review of regulatory correspondence; and
 - o Review of legal expenses incurred during the year.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the risk of material misstatement due to fraud related to revenue recognition. We addressed this risk by documenting our understanding of the internal control environment in operation for the material income streams and undertaking a walkthrough to ensure that the key controls within these systems have been operating in the period under audit. Substantive transactional testing of income recognised in the financial statements and reconciliation from the software platform to the revenue recorded in the financial statements in 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. This description forms part of our Auditors' report.

ALTERY LTD

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

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.



Azhar Rana (Senior statutory auditor)

for and on behalf of
PKF Littlejohn LLP

15 Westferry Circus

London

E14 4HD

Date: 18 December 2023

ALTERY LTD**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022 £	2021 £
Turnover	4	373,760	214,136
Gross profit		<u>373,760</u>	<u>214,136</u>
Administrative expenses		(806,095)	(408,748)
Operating loss	5	<u>(432,335)</u>	<u>(194,612)</u>
Other income		-	31,838
Loss before tax		<u>(432,335)</u>	<u>(162,774)</u>
Loss for the financial year		<u>(432,335)</u>	<u>(162,774)</u>
Total comprehensive income for the year		<u>(432,335)</u>	<u>(162,774)</u>

The notes on pages 16 to 25 form part of these financial statements.

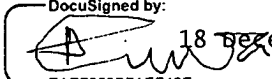
ALTERY LTD
REGISTERED NUMBER: 06984177

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	670	1,490
		<u>670</u>	<u>1,490</u>
Current assets			
Debtors: amounts falling due within one year	11	658,002	94,026
Cash at bank and in hand	12	3,052,576	329,594
		<u>3,710,578</u>	<u>423,620</u>
Creditors: amounts falling due within one year	13	(2,646,241)	(27,768)
Net current assets		<u>1,064,337</u>	<u>395,852</u>
Net assets		<u><u>1,065,007</u></u>	<u><u>397,342</u></u>
Capital and reserves			
Called up share capital	14	894,546	894,546
Capital contribution		1,100,000	-
Profit and loss account		(929,539)	(497,204)
		<u>1,065,007</u>	<u>397,342</u>

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

Moriam Olabisi Giwa
 Director

DocuSigned by:

 18 December 2023

The notes on pages 16 to 25 form part of these financial statements.

ALTERY LTD**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2021	894,546	-	(334,430)	560,116
Comprehensive income for the year				
Loss for the year	-	-	(162,774)	(162,774)
At 1 January 2022	894,546	-	(497,204)	397,342
Comprehensive income for the year				
Loss for the year	-	-	(432,335)	(432,335)
Contributions by and distributions to owners				
Capital Contributions	-	1,100,000	-	1,100,000
At 31 December 2022	<u>894,546</u>	<u>1,100,000</u>	<u>(929,539)</u>	<u>1,065,007</u>

The notes on pages 16 to 25 form part of these financial statements.

ALTERY LTD**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Loss for the financial year	(432,335)	(162,774)
Adjustments for:		
Depreciation of tangible assets	820	483
Loss on disposal of intangible assets	-	60,815
Interest received	-	(31,838)
(Increase) in debtors	(563,976)	(4,261)
Increase in creditors	2,618,473	758
Net cash generated from operating activities	1,622,982	(136,817)
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(500)
Income from investments in related companies	-	31,838
Purchase of intangible assets	-	(19,252)
Net cash from investing activities	-	12,086
Cash flows from financing activities		
Capital contributions received	1,100,000	-
Net cash used in financing activities	1,100,000	-
Net increase/(decrease) in cash and cash equivalents	2,722,982	(124,731)
Cash and cash equivalents at beginning of year	329,594	454,325
Cash and cash equivalents at the end of year	3,052,576	329,594
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,052,576	329,594
	3,052,576	329,594

The notes on pages 16 to 25 form part of these financial statements.

ALTERY LTD**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	329,594	2,722,982	3,052,576
	329,594	2,722,982	3,052,576

The notes on pages 16 to 25 form part of these financial statements.

ALTERY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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 the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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 2022****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 Impairment of fixed assets

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

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

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

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

2.8 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.

ALTERY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 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.

2.10 Creditors

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

2.11 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 2022

2. Accounting policies (continued)

2.12 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.

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.

2.13 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.

2.14 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 2022****2. Accounting policies (continued)****2.15 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.

4. Turnover

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

	2022 £	2021 £
Retainer fees	344,213	195,724
Commission	23,547	12,412
Onboarding fees	6,000	6,000
	<u>373,760</u>	<u>214,136</u>

Analysis of turnover by country of destination:

	2022 £	2021 £
Rest of world	373,760	214,136
	<u>373,760</u>	<u>214,136</u>

5. Operating loss

The operating loss is stated after charging:

	2022 £	2021 £
Rent	126,682	35,935
Exchange differences	(23,305)	22,037
	<u>(23,305)</u>	<u>22,037</u>

ALTERY LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****6. Auditors' remuneration**

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

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	40,000	7,200
Fees payable to the Company's auditors in respect of:		
Audit-related assurance services	-	1,998
Taxation compliance services	2,600	-
All non-audit services not included above	3,000	150
	<u>45,600</u>	<u>9,248</u>

7. Employees

	2022 £	2021 £
Wages and salaries	314,561	150,977
Social security costs	35,927	10,949
Cost of defined contribution scheme	3,581	2,403
	<u>354,069</u>	<u>164,329</u>

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

	2022 No.	2021 No.
Average number of employees	7	5
	<u>7</u>	<u>5</u>

8. Director's remuneration

	2022 £	2021 £
Director's emoluments	151,583	96,039
Company contributions to defined contribution pension schemes	1,255	1,285
	<u>152,838</u>	<u>97,324</u>

Retirement benefits are accruing to 1 (2021: 2) Director under a defined contribution pension scheme.

During the year, the company wrote off a loan to a director totalling £37,000. No interest was charged on this loan in 2022 (2021: none). The amount outstanding at year end is nil (2021; £37,000).

ALTERY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Taxation

	2022 £	2021 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
Loss on ordinary activities before tax	(432,335)	(162,774)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(82,143)	(30,927)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(28,946)	-
Non-taxable income	-	30,927
Movement in deferred tax not recognised	111,089	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

ALTERY LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****10. Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2022	4,826	3,065	7,891
At 31 December 2022	<u>4,826</u>	<u>3,065</u>	<u>7,891</u>
Depreciation			
At 1 January 2022	4,826	1,575	6,401
Charge for the year on owned assets	-	820	820
At 31 December 2022	<u>4,826</u>	<u>2,395</u>	<u>7,221</u>
Net book value			
At 31 December 2022	<u>-</u>	<u>670</u>	<u>670</u>
At 31 December 2021	<u>-</u>	<u>1,490</u>	<u>1,490</u>

11. Debtors

	2022 £	2021 £
Trade debtors	18,555	38,001
Other debtors	627,422	44,000
Tax recoverable	12,025	12,025
	<u>658,002</u>	<u>94,026</u>

ALTERY LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****12. Cash and cash equivalents**

	2022 £	2021 £
Cash at bank and in hand	3,052,576	329,594
	<u>3,052,576</u>	<u>329,594</u>

Under the Electronic Money Regulations, as an authorised firm, the Company is required to segregate relevant funds. The Company has chosen to do this through segregation method by establishing segregated safeguarded bank accounts for these funds.

The balance of the segregated safeguarded bank accounts as at 31 December 2022 was £1,326,804 (2021: £11,993).

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,530,468	6,034
Other taxation and social security	59,668	2,419
Other creditors	56,105	19,315
	<u>2,646,241</u>	<u>27,768</u>

14. Share capital

	2022 £	2021 £
Issued and fully paid		
894,546 (2021 - 894,546) Ordinary Shares shares of £1.00 each	<u>894,546</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.

15. Reserves**Capital Contribution**

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

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund and the contributions in the year amounted to £3,581 (2021: £2,403). There were no amounts outstanding at year end (2021: £Nil).

ALTERY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17. 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 £48,480 (2021 - £46,915) net of value added tax. At the year end the balance due to Altery Ltd regard to these transactions amounted to £4,555 (2021 - £10,500).

During the year Altery Limited purchased services from related parties with a common directorship in the amount of £28,015 (2021- £19,649) net of value added tax. At the year end the balance due to the related parties in regard to these transactions amounted to £nil (2021 - £1,716).

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 £1,317,271 (2021: £8,743).

During the year Altery Ltd wrote off a loan to a director totalling £37,000. No interest was charged on this loan in 2022 (2021: £nil). The amount outstanding at year end is £Nil (2021: £37,000).

18. Post balance sheet events

On 28 September 2023, the Company changed its name from Recary Ltd to Altery Ltd.

On 15th November 2023 the company allotted a further 870,789 shares of £1 each.

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

19. Controlling party

Throughout the period, 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.