Annual Report 2023

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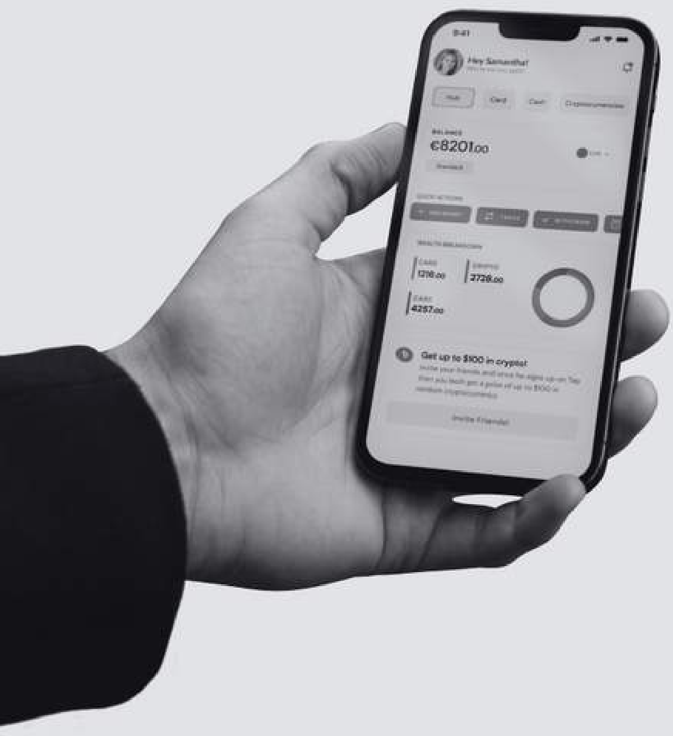
Our company

Tap is at the forefront of merging the cryptoeconomy with traditional finance, creating a fair, accessible, and transparent financial ecosystem. Since our establishment in 2018, we've been driven by the audacious belief that anyone, anywhere, should have effortless and secure control over their fiat and crypto finances. Today, Tap provides a trusted, user-friendly platform to seamlessly manage all your financial needs in one place.



Our vision

Tap aims to become the ultimate FinTech Super App by seamlessly integrating the finest features from the fintech industry, all while emphasising an exceptional user experience and innovative technology. Our primary objective is to simplify finance and cryptocurrencies, providing our users with enhanced financial freedom.

Company information

Tap Global Group Plc (formerly Quetzal Capital Plc)
Company No. 05840813
Company information
For the year ended 30 June 2023

Directors

- Arsen Torosian
- David Carr
- Desmond Hellicar-Bowman
- David Hunter
- John Taylor
- Anthony Quirke

Secretary

- Ben Harber

Auditor

Edwards Veeder (UK) Limited
Broadgate
Broadway Business Park
Chadderton
Oldham
OL9 9XA

Solicitor

Hill Dickinson LLP
The Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Registered office

6th Floor 60 Gracechurch Street
London
EC3V 0HR

Tap Group's year in numbers

Trading payment volume

£182 million

Traded by our customers

Cash

£2.3 million

Increased from £1.1 million

Revenues

£2.0 million

Including 6 months of trading from Tap

Adjusted EBITDA

£(0.4) million

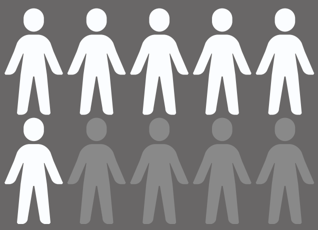
Executing growth strategy

Important note
References throughout this report to "Tap Group" or the "Company" refer to Tap Global Group Plc (AQSE: TAP) (formerly Quetzal Capital Plc).

References throughout this report to "Tap" refer to Tap Global Limited and/or Tap Technologies Limited which are wholly owned subsidiaries of Tap Global Group Plc. Tap Global Limited is licensed and regulated by the Gibraltar Financial Services Commission under the Distributed Ledger Technology (DLT) with licence No. 25532.

+82%

INCREASE IN
REGISTERED USERS



+24

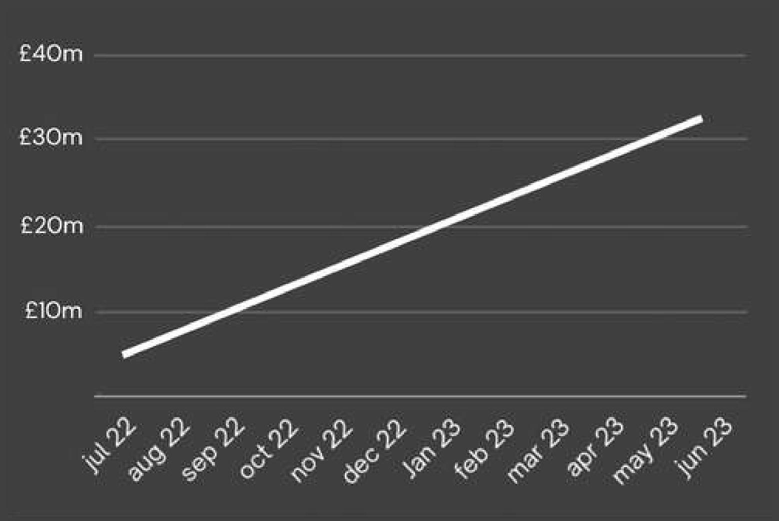
NEW CRYPTOS
ADDED TO TAP

44

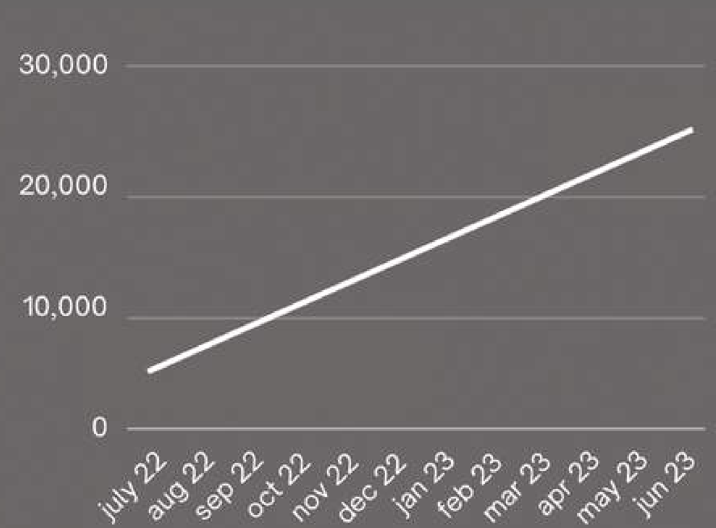
COUNTRIES
COVERED BY TAP

Tap Group’s year in numbers

MONTHLY CUSTOMER TRADING VOLUME (LINEAR TREND)



NUMBER OF TRADES (LINEAR TREND)



Chairman’s statement

A message from David Hunter

It is my great pleasure to address you in our annual report; my first as Chairman of Tap Global Group Plc (the ”Group”).

Tap Global Limited and its 100% owned subsidiaries (“Tap”) were acquired by Aquis-listed shell Quetzal Capital Plc in a Reverse Takeover transaction on 9 January 2023 (“RTO”). The Group readmitted to the market the following day as Tap Global Group Plc. As such, while this report covers the reporting period from 1 July 2022 to 30 June 2023, this includes only a little under six months’ contribution from Tap, post-acquisition. Those months since the Reverse Takeover have seen a seminal transformation, both in Tap and in the wider market and regulatory environment for cryptocurrencies and fintech. There have been as many threats as there have been opportunities, but Tap has shown itself to be extraordinarily well positioned to succeed in what remain stormy waters. This is key to the value creation opportunity inherent in the business.

The Group raised £3.1m of new expansion capital concurrent with the RTO just after the collapse of FTX and in the lead up to other notable failures in the cryptocurrency industry such as the demise of Silicon Valley Bank. I would like to pay tribute to those who delivered the successful listing of the Group amidst the most challenging of backdrops.

The ‘regulation first’ mantra that Tap has always adopted has ensured that Tap has not only managed to survive in the increasingly hostile regulatory environment that these high-profile failures have created, but to thrive, and grow, and continue to expand.

There are many reasons why we believe the Group outperforms its competitors - including best execution across a number of exchanges powered by our own AI algorithms, insured cold storage, and access to a pre-paid Mastercard - but primary among them is the regulated status of our operating company, Tap Global Limited, under a Distributed Ledger Technology (DLT) licence issued by the Gibraltar Financial Services Commission.

We welcome regulation in the cryptocurrency and fintech sectors; indeed, Tap established itself in Gibraltar from the outset exactly because it provided the most robust regulatory environment. We continue to act under our ‘regulation first’ approach and believe that the continued growth in our user numbers - now standing at over a quarter of a million - is in large part a result of a flight to safety of customers from other platforms perceived as carrying higher risk.

There have been many positive changes to the Group since it listed in January 2023. Chief among these has been the recruitment of Kriya Patel as the CEO of our operating company, Tap, in Gibraltar.

Kriya is instilling tremendous rigour in all Tap’s processes and ensuring that decisions are based on a thorough interrogation of the myriad data that we process. His operational experience across payments, e-money, and financial technology businesses has immediately been applied to Tap's business and Tap is on a very strong footing to expand in the future.

Kriya is laser focused on growing the business in a manner that both protects our users and shareholders from as much risk as possible and in a sustainable way that does not inject the kinds of overheads that have become so destructive to other operators, particularly in the United Kingdom.

As a result, the Group's financial status is in robust health with revenues for the year of £2.0 million, a cost base that is under control, and a healthy cash balance at year-end of £2.3 million. The Group's adjusted EBITDA for the year was a loss of £0.4m, which was expected as the Group executes its growth strategy.

When comparing the full year trading of Tap (1 July 2022 to 30 June 2023), the revenue for the year was £2.5m, representing an increase of 176% on the prior year.

Geographic expansion has been a long-held ambition of Tap Group and plans to launch in the US have continued apace, despite the collapse and then subsequent withdrawal of several actors in that jurisdiction.

I would like to pay tribute to David Carr, the Group CEO, and Arsen Torosian, our Chief Strategy Officer, for the manner in which the partnership with Zero Hash, our launching partner in the US, has been secured amidst a constantly changing backdrop in what must be the most active regulatory jurisdiction in the world. It has been a significant challenge, but we believe we have the optimal launchpad to begin servicing the largest cryptocurrency market in the world from Q1 2024.

There are a number of other growth vectors that the Board is pursuing vigorously, including the further rolling out of the Cards as a Service product for other exchanges, following the signing of Bitfinex in January 2023 as the first client for this new service. This service enables companies to offer their customers a prepaid Mastercard to enhance their existing financial offering.

Since joining the Board, I have been highly impressed with a great deal of what I have seen in the Group. It enjoys an immensely dynamic and imaginative executive team that is constantly seeking to explore new initiatives and growth opportunities tempered with an acute awareness that the Company must avoid the pitfalls that have befallen an increasing number of other operators in the industry.

There is more to do to ensure the Group emerges as a force out of the current industry-wide maelstrom; but the foundations for huge scaling have been firmly laid and the Group is poised to become a truly global player in the fintech arena.

David Hunter
Non-Executive Chairman
Tap Group

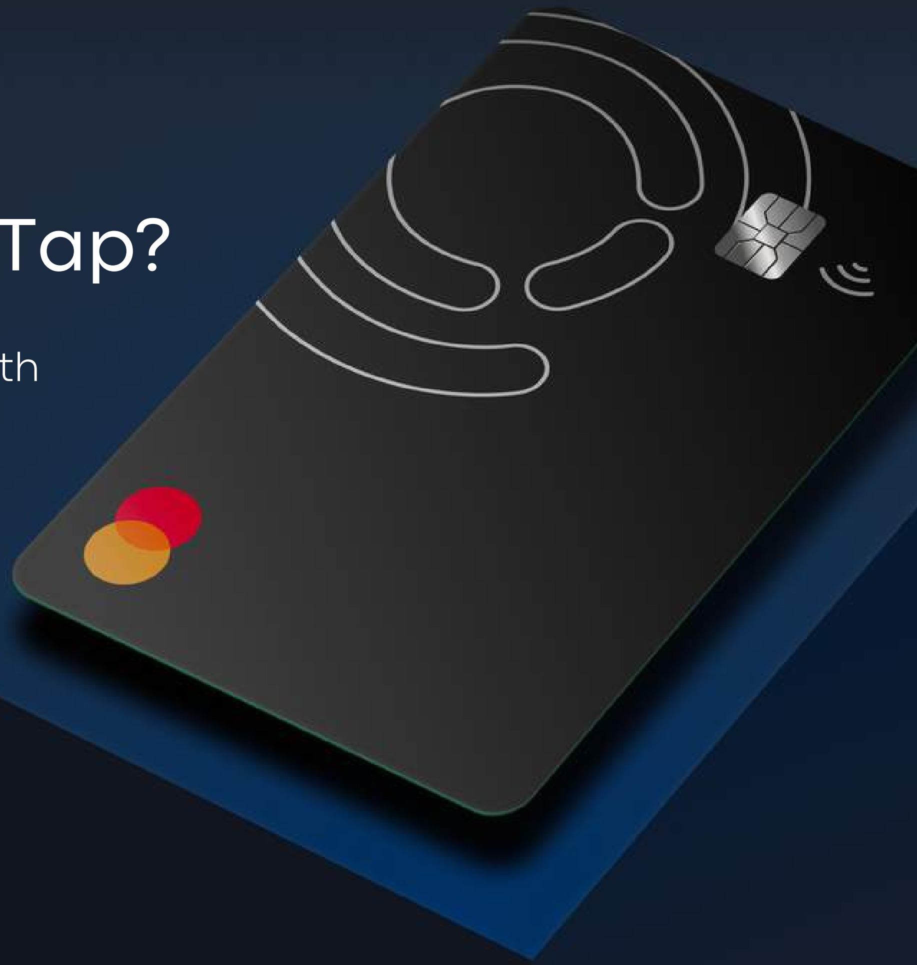
Our offering explained

tap.

- **Money account**
  - Foreign exchange
  - EUR accounts
  - GBP accounts
- **Crypto services**
  - Trading
  - Cold storage
- **B2B**
  - Business accounts
  - Card as a service
  - Crypto as a service

Why invest in Tap?

The unprecedented growth of cryptocurrencies surpasses historical financial technologies, making Tap, the ultimate FinTech Super App, a strategic investment.



01

Robust FY23 financial performance, with £2 million of revenue generated from only 6 months of contribution from Tap

02

Primed to scale through increased marketing and user capture

03

Highly competitive valuation in light of recent peer group M&A activity

04

Resilient during crypto market downturns – not overleveraged

Chief Executive Officer's review

A message from David Carr

I am delighted to present the Group's results for the year ended 30 June 2023, a period of significant financial and operational growth for the business and our first as a UK listed company.

The cryptocurrency market, unlike traditional stocks and shares, never sleeps, and, as the assets are global and can be bought by investors around the world, the fluctuation in prices is constant. Tap's business is driven by activity and although the price of assets is not the key driver for Tap, movement in their prices is. The price of Bitcoin, which is the longest running cryptocurrency, drives activity across most of the other cryptocurrencies.

When I am asked how cryptocurrency prices affect Tap, I am always quick to point out that it is not pricing but market movement - up or down - that drives Tap revenues. Stagnant markets, when users are holding, are the worst kind for Tap. I am pleased to say that we have been seeing a sustained return of cryptocurrency trading volumes since the RTO in January 2023 and this has helped drive our revenues to £2.0m in the six months of trading that Tap was within the Group. On a full year basis (1 July 2022 to 30 June 2023), Tap's revenue was £2.5m, an increase of 176% when compared to the previous financial year, which is a tremendous achievement and shows the investment funds being deployed effectively.

At our previous year end in June 2022, Tap, our regulated operating business, was providing access to 18 different crypto assets. At the end of June 2023, the different crypto assets available on the Tap App had more than doubled to 42 across a geographic footprint of 44 countries, with a US market entry in progress.

During the financial year, Tap grew at a steady rate with both onboarding and revenues progressing in line with expenditure on marketing campaigns. Since the end of the financial year, Tap has added even more cryptocurrencies, and the total available assets today stands at 46.

The Tap platform user numbers grew from 89,000 at the beginning of the financial year in July 2022 to 162,000 at the end of June 2023. The growth has continued post-year end and, in November 2023, the total registered users on the platform surpassed a quarter of a million.

The user base acquisition growth was one of the key reasons for the listing on Aquis. The additional raised capital was budgeted for use in driving the customer acquisition growth strategy and was initiated almost immediately. The user base began to increase simultaneously with these efforts and as such the user acquisition strategy has proven to be highly successful.

This customer growth was a catalyst for Tap to add operational staff in line with the additional user numbers and accordingly some strategic key additional hires were identified. Two of these people were Kriya Patel as a new CEO and Nigel Crome as the new Money Laundering Reporting Officer, both for Tap's licensed operating entity in Gibraltar, Tap Global Limited.

These two individuals bring a wealth of fintech and compliance experience with them. Both individuals were vetted and approved by the Gibraltar Financial Services Commission as regulated individuals; this is a key process within the regulatory framework that Tap operates under.

Further headcount increases are planned over the coming months as Tap continues to build out key operational teams in support of the accelerated growth witnessed to date and expected product and market expansion planned.

In summary, the last financial year and remainder of 2023 has been focussed on delivery of strong financial performance, continued delivery of a better solution for customers and ensuring the Tap is operationally ready to continue growth in an ever-changing regulatory environment.

Operational Review

The revenue generating elements of the Tap service offering are primarily driven by a share of trading fees Tap charges to users. This accounted for circa 90% of the revenues during the period. A continued evaluation of our pricing strategy is undertaken to ensure we remain competitively priced whilst optimising on revenue generation opportunities from the services delivered.

The first client for Tap's Cards as a Service product line (offering a white-labelled prepaid Mastercard underpinned by Tap's infrastructure and regulated status) during the period was Bitfinex. This will be ready for a public launch in early 2024. It is anticipated that this launch will add a significant alternative revenue stream to Tap as this will not be based on the trading of assets directly within Tap.

This launch, once fully completed, will demonstrate to the cryptocurrency and wider fintech market that Tap can provide a proven, operating tech and service stack that can accelerate the rollout of new services for commercial partners, powered by Tap.

Another element that has been in development is the provision of Crypto as a Service which, unlike the card service, is directly linked to trading activity. The ultimate concept of this product is to allow a commercial partner to leverage Tap's crypto services as a product for their user base without having to develop the environment, and deliver on the regulatory standards required, themselves.

This could again drive additional users to the Tap platform along with additional revenue as every transactional movement would incur a fee, for both Tap and the commercial partner without the acquisition costs associated with user growth via a direct to market approach.

Some operational developments have been necessarily curtailed both during the last financial year and after the reporting period end due to the increased efforts required to address new regulatory requirements and changes in wider fintech market critical supply chain. Change considerations and replanning priorities have also materialised following reaction from the industry and regulators to the collapse of some large well-known companies, which in some high-profile cases were not regulated at all. Tap continues to operate under the 'regulation first' principle that has ensured we have emerged from the recent market upheaval with a tremendously solid foundation still in place.

Nonetheless, Tap has delivered on over 55 key milestones in 2023, including revenue and customer growth, compliance with regulatory changes, optimising group company structure, application redesign, performance and service improvements, improved fraud protection and security measures, the development of greater redundancy, further automation of key processes and the introduction of greater business risk management and control toolkits.

This has allowed Tap to plan better and deliver on change initiatives, such as the UK Financial Promotions Regime, and future proof our business for continued growth through a proactive, rather than reactive, resilience to change approach that inevitably impacts the cryptocurrency sector.

Outlook

Global cryptocurrency sector events have rightly raised alarm bells with regulators around the world and as a consequence some Tap expansion plans had been paused due to changes in the risk appetite of critical partners or market uncertainties. An example would be where Tap requires third party suppliers that need to be regulated locally in the countries in which we operate or plan to operate.

Changes in local regulatory environments, specifically within key markets such as the UK, required Tap to pivot quickly following review of key partner relationships and the evaluation of new suppliers. Change decisions needed to be expedited, partners identified, and implementations thoroughly tested and integrated into existing operations - an exercise the business is well placed to deal with both now and in the future. Through this period of flux, the Group generated revenues of £1m for the five-month period to November 2023 and is well positioned to build on this in its current and new markets.

In October 2023, we announced the intention to launch the Group's crypto asset offering into the United States. We are doing so via a wholly owned subsidiary, Tap Americas, through a partnership with Zero Hash LLC, a Chicago-based B2B2C crypto infrastructure platform. The US is the world's largest cryptocurrency market. Through this partnership with Zero Hash, a well-established and regulated US entity, we identified a pathway to launch in the US whilst ensuring the requisite regulatory coverage for the new US business.

In Zero Hash, we have found a partner that shares our regulation-first approach and will be able to provide us with a platform for establishing a significant presence in the US. Tap Americas has already built a significant waiting list in the US, which has 45 million active cryptocurrency users. Tap Americas will offer its new users a secure, regulated and innovative alternative to the platforms currently falling under regulatory scrutiny for their imprudent approach to the safety of consumers and their digital assets. We are very excited to launch in the US in the new year.

The Group set up an operations hub in Greece in late 2023.

This operation will be focussed on the areas of customer onboarding and compliance oversight as well operational support elements for the European operations. This team will be used to help facilitate the expansion into new regions by providing the required support in these areas as these come online. We are also evaluating whether our Greek centre of operations should also become the operational hub for the forthcoming MICA Regulations which come into force in 2024 and have been a key strategic area evaluated by Tap in 2023.

The Group's public listing journey, although less than 12 months old, has been incredibly positive in terms of positioning Tap with the tools necessary to continue to grow in a regulation-first way which is one of the cornerstones of the Group.

Tap continues to increase market presence and customers in existing markets and the expansion into other markets remains in process. 2024 is looking very positive, with continued user acquisition, expansion into other regions, and team growth planned.

Tap continues to increase market presence and customers in existing markets and the expansion into other markets remains in process. 2024 is looking very positive, with continued user acquisition, expansion into other regions, and team growth planned.

As Tap expands into new markets, we also leverage on new partnerships with best-in-class service providers. This delivers opportunities for the Group to further mitigate key supplier dependency risks and could also facilitate further commercial diversification opportunities with additional white-labelling and managed utility as a service provisioning for new commercial partners.

Ensuring adoption of a regulated approach to each new market, I believe, will prove to be a sound decision as we see ever more regulation being considered and introduced in the digital asset industry. Using well established processes developed in meeting regulatory requirements since the inception of Tap positions the Company well in meeting these requirements both now and in the future.

Tap will be making a number of product enhancements in the coming year which will include the introduction of additional assets, further security enhancements and delivery of new user facing services and functionality.

These will be led by the Chief Strategy Officer and co-founder of Tap, Arsen Torosian. His vision on the crypto environment has helped Tap to continue to grow even during what some called a "Crypto Winter"

During 2023, the crypto market has fluctuated significantly both up and down, the price of Bitcoin at the time of the RTO was circa $17,700. By this month, the price of one Bitcoin had reached as high as $44,373.

Similarly, the price of one Ethereum at the time of the RTO was circa $1,266 and again in December 2023 the price of this asset had been as high as $2,366. This price increase has driven additional trading activity from Tap account holders.

Our overall outlook is very positive, and I believe that the assembled team will help to achieve great things in the coming year.

David Carr
Chief Executive Officer
Tap Group

Chief Financial Officer's review

A message from Tony Quirke

I present my review and financial report for the year ended 30 June 2023 where I review in detail the consolidated statement of comprehensive income and the consolidated statement of financial position.

Review of Consolidated Comprehensive Income Statement

Overall, the Group made an adjusted EBITDA Loss of £363k (2022: £313k), with revenue increasing to £2.0m (2022: £50k) and adjusted operating costs increasing by £1.5m from £0.4m in 2022 to £1.9m in 2023. Cost of sales in 2023 was £494k (2022: 0). The traded payment volume (value of funds traded by a customer) was £181.6m in the six months of trading, and with average trading margin of 0.92%, resulting in trading revenue of £1.7m and a further £0.3m of other revenue.

The increase in costs were due to the Group inheriting the costs of the Tap operating entities and a further investment in people, product and marketing to drive the growth strategy. Table 1 details the revenue and increase in costs explained above.

Table 1 – Income and Expense Account

Year ended	June 23	June 22
	£	£
Payment Volumes Traded	181,568,624	-
Trading Revenue	1,678,602	-
Other Revenue	337,484	50,000
Revenue -Total	**2,016,086**	**50,000**

Cost of sales	494,488	-
Gross Profit	**1,521,598**	**50,000**
Staff cost	455,792	97,459
Share Option and Warrant Expenses	378,631	4,979
Marketing	240,892	1,500
Legal & Professional Fees	257,829	216,515
Other Expenses	551,817	42,716
Total Operating Costs	**1,884,961**	**363,169**
Adjusted EBITDA	**(363,363)**	**(313,169)**
RTO and Acquisition related costs	(419,917)	(88,840)
Fair Revaluation on Investments	(300,795)	(82,552)
Sales of Assets	-	162,769
Gain on Sales of Crypto Assets	323,178	-
Exchange Rate Variance	(21,941)	-
EBITDA	**(782,838)**	**(321,793)**
Depreciation & Amortisation	(290,168)	-

Interest Income/Expense	(1,634)	-
Tax	-	15,629
Net Loss	**(1,074,640)**	**(306,164)**

Certain costs have been adjusted out of EBITDA due to the nature of the expense or on the basis that they are non-recurring. The acquisition related costs are specific to the acquisition of Tap and the re-listing of the Group and are therefore considered non-recurring. The decrease in the fair value on investments is due to the write down of historical investments held by the Group prior to the acquisition of Tap. The sale of assets in the year to June 2022 was due to shares sold in those investments. The gain on sales of crypto assets is based on the market value of the liquidity held by the Group in crypto assets during the year and at the year end. There was a gain on the sale of crypto assets of £323k in the six-month period but as Tap is holding this liquidity to facilitate customer trading and not for the purposes of propriety trading, this line item is considered to not be part of the business operating model and is adjusted out of the EBITDA.

As shown in Table 2 below, the Tap operating entities were profitable for the six months of trading that they were within the Group.

Table 2 Net Profit / (Loss) by Entity

Entity Type	**June-23**
Operating Entities: Tap Global & Tap Technologies Ltd	419,502
Holding Company: Tap Global Group PLC	(1,494,142)
Consolidated Net Loss	**(1,074,640)**

In Table 3 is a breakdown of the revenue for Tap Global Limited for the years ended 30 June 2022 and 2023 respectively and for the six months of trading with the Group. As the table shows, £2.0m of the £2.5m revenue that was generated was in the first six months of 2023, following the acquisition and investment in marketing.

The Trade Revenue is the commission earned on the difference between the cost of currency sold and bought. The asset transfer revenue is a fee applied when a customer moves assets to or from the Tap platform. The Other Revenue relates to other usage fees applied such as card usage fees associated with the Tap prepaid card.

Table 3 – Tap Global Limited Historical Revenue

Revenue Type	FY June 22	FY June 23	6 Months to June-23
Trade Revenue	544,964	2,025,691	1,678,602
Asset Transfer Fees	233,244	412,082	323,510
Other Revenue	123,680	53,251	13,974
Total Revenue	**901,888**	**2,491,024**	**2,016,086**

Cost of Sales

These costs are directly related to customer activity around the three revenue streams described above and include fees incurred at currency liquidity providers, bank charges, costs for maintaining the prepaid card and customer onboarding costs.

Operating Costs

The significant costs are staff costs, marketing, legal and professional costs and share option and warrant expenses

Staff costs of £456k (2022: £97k) reflect the cost of the staff from the Tap operating entities plus the increase in headcount to drive the growth strategy. Marketing costs of £241k (2022: £2k) are primarily customer acquisition costs from the Tap operating entities. Legal and professional fees of £258k (2022: £216k) include audit and accountancy costs, regulatory costs and legal fees. The share option and warrant expense primarily relates to warrants issued at the time of the RTO in in January 2023.

Review of Consolidated Financial Position Statement

Please refer to the consolidated Statement of Financial Position for the Group on page 20. Overall, the net current assets for the Group, excluding goodwill, is £3.8m. Below I separately review each asset class.

Non-Current Assets

The tangible assets include a right of use asset of £104k which is the leased offices in Gibraltar, with the balance of tangible assets comprising computer equipment and office fixture and fittings.

The intangible assets include crypto assets held for investment and value of the software platform developed to operate the Tap operating model which is capitalised and amortised over the useful life of the software. The goodwill is the difference between the consideration paid of £20.25m and the book value of the Tap operating companies acquired which was a net liability of £1.6m. This net liability included the convertible loan note of £1.5m that the Group advanced to Tap in December 2021 and which was subsequently capitalised following the completion of the acquisition.

Current Assets

Cash at bank at is £2.3m (2022: £1.1m) with a further £1.2m in liquidity represented by crypto assets held for investment but reported in non-current assets. The increase in cash reflects the £3.1m equity raised in January 2023, less one-off payments relating to the RTO and the costs to fund the growth strategy which include funding crypto asset liquidity balances, investment in software development and customer acquisition costs.

Current Liabilities

Trade payables of £237k (2022: £42k) and Accruals of £197k (2022: £98k) reflect the increased activity within the Group following the RTO. The Directors' current account of £679k is monies owed to the founder (Arsen Torosian) and is repayable on demand any time on or after 30 June 2025. The loan does not accrue interest.

Equity

The increase in the called-up share capital and the share premium account of £23.5m is detailed in Table 4 below. The increase primarily relates to the share issue and acquisition of Tap Global.

Table 4 – Changes in Ordinary Share Capital and Share Premium

	£
Share Issue	3,250,000
Consideration for Tap Global	20,250,000
Issue of Share Options and Warrants	20,000
Total Change in Year	**23,520,000**

The increase in the option and warrant reserve was primarily due to placement warrants issued against 40.4m shares at the time of the RTO which attracted an increase in the reserve of £314k and a charge to the income statement. The balance of the increase was due to share options issued in the year.

The loss after tax for the year of £1.1m increased the Profit and Loss Account deficit to £4.6m.

Outlook – Trading and Cash to November 2023

Revenue for the five-month period to November 2023 is £1.0m and Cash at Bank as at November 2023 is £2.3m. Revenue in Q3 2023 was down on the recent historical average due to the uncertainty in the UK market during the introduction of the new Financial Promotion rules on crypto assets. Following Tap's successful registration to trade crypto assets in the UK, revenue returned to recent historical levels during the month of November 2023.

Tony Quirke
Chief Financial Officer
Tap Group

Board & key executive

David Hunter
Non-Executive Chairman

David is an experienced executive with a track record of building and leading disruptive financial services businesses into profitability and sustained growth. Becoming Director of BT's ePayments division in 2002, he possesses over 20 years of senior and executive experience in financial services and payments. Throughout his career, David has placed a strong emphasis on innovation, regulatory compliance and commercial growth. David joined Tap in June 2023.

David Carr
Chief Executive Officer

David co-founded the Operational Company Tap Global Limited and initially took on the role of Chief Operating Officer before assuming the role of Chief Executive Officer in July 2021. Following the appointment of a new CEO of this company in June 2023, David stepped back from this role and has been focusing on PLC matters and other operational elements. David joined the banking industry in 1993 and has been involved in the launch of over 65 fintech products in nine countries around the world since joining this sector in 2004 with the launch of the first prepaid Mastercard product in Europe.

Arsen Torosian
Chief Strategy Officer

Arsen co-founded Tap with David Carr in 2017. A fintech entrepreneur and early adopter of crypto, Arsen founded a crypto OTC desk in London in 2014 in which he achieved over £70m in trading volume. Arsen oversees Tap's technology enhancement and international expansion.

Tony Quirke
Chief Financial Officer

Tony is an FCCA qualified accountant and an FCA approved person. He has founded, co-founded and led the M&A activity on several FCA regulated fintech businesses including an International FX payments broker, a digital bank, an acquiring bank, an issuer processor, an issuing bank and a payment services provider.

John Taylor
Non-Executive Director

John works with small cap listed companies assisting with their listing and development. He is the executive director of WeCap plc, an AQSE listed investing company focused on social commerce investments. He is also a non-executive director of Brandshield Systems Plc, a previously AIM listed cyber firm and of Good Life Plus PLC, a newly listed entertainment and prize draw company. John spent over 20 years in the Army Air Corps, leaving in 2015 in the rank of Lieutenant Colonel. He commanded an attack aviation unit in various operational theatres and completed several staff tours, the last as a senior strategic communications officer in the Ministry of Defence.

Des Hellicar-Bowman
Non-Executive Director

Des is a Senior Executive with 20 years' experience at board level within the payments industry. Responsibilities within regulated companies include board advisory roles, compliance oversight, MLRO and director appointments with significant European-wide experience within AML, compliance, risk, fraud prevention and detection, e-finance and payments regulation and policy sectors.

Key executive (non-Board)

Kriya Patel

Chief Executive Officer of Tap Global Limited

Kriya is an experienced Financial Services Executive based in Gibraltar, originally from the UK, specialising in embedded finance, payments, card services and fintech. He has over 20 years' experience across a number of financial services sectors ranging from card outsourcing and sponsorship services, multi-currency payments, remittance and settlement services, tech, and strategic project and business management. He has held board level positions and advisory roles with an approach designed to establish business improvement, profitable growth and efficiency.

Tap Global Group Plc

Directors' Report

For the year ended 30 June 2023

The directors present their report and the audited financial statements of the Company for the year ended 30 June 2023.

Directors of the Company

The directors who have served during the year and up to the date of approval were as follows:

Arsen Torosian
David Carr
Desmond Hellicar-Bowman
David Hunter
John Taylor
Anthony Quirke

Dividends

The directors do not recommend the payment of a dividend.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 25 to the financial statements.

Going Concern

The financial statements have been prepared on a going concern basis.

The Company meets its day-to-day financing through its cash reserves, as at 30 June 2023 the Company has net current assets of £1,305,078 and £2,335,378 cash in the bank.

The directors have prepared cash flow forecasts for the period to 30 June 2025. On the basis of these forecasts, the Company is expected to continue to operate within its available financial facilities for at least the next 18 months.

Directors' interests

The directors' interests in the shares of the Company are as stated below:

	No. of ordinary shares of 0.1p each	
	2023	**2022**
Arsen Torosian	393,985,000	
David Carr	34,160,798	
John Taylor	2,750,000	2,750,000
Tony Quirke	135,135	

Requirement for further funds

There should not be a requirement for the Company to raise further funds in the near future in order to fund working capital requirements. However, any funding requirement deemed appropriate by the Board, and operating within authorities granted to it by shareholders is likely to be by the issue of further ordinary shares or the issue of convertible loan note instruments. There may also be a requirement to conduct an equity fundraise concurrently with any Reverse Takeover transaction.

Principal risks and uncertainties

The Company’s activities expose it primarily to the following financial risks:

Liquidity risk
The Company's policy is to finance its operations through working capital. The Company has sufficient funds for the foreseeable future.

Interest rate risk
Interest bearing assets include only cash balances which earn interest at a fixed rate. The Company monitors its interest rate risk primarily through cash flow forecasting and allocating funds to the most relevant accounts in light of forecast balances and outgoings.

Substantial shareholdings

As at 30 June 2023, other than the directors' holdings, the following shareholders hold more than 5% of the issued share capital:

Shareholder	**No. of ordinary shares**	**% of issued share capital**
Eric Xu	34,670,481	5

Number of shares not in public hands are 460,745,616 which equates to 66.45% of issued share capital.

Matters covered in the strategic report

The business review, review of KPI's and details of future developments are included in the Chairman’s report.

Political and charitable donations

No political or charitable donations have been made during the year under review.

Directors’ responsibilities statement

The directors are responsible for preparing the strategic report, directors’ report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they we satisfied that they give a true and fair new of the state of affairs of the company and the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Corporate Governance Code

The directors are committed to maintaining high standards of corporate governance and propose, so far as is practicable given the Company’s size and nature, to voluntarily adopt and comply with the QCA Code. At present, due to the size of the Company, the directors acknowledge that adherence to certain other provisions of the QCA Code may be delayed until such time as the directors are able to fully adopt them. In particular, action will be required in the following areas:

the Company is currently too small to have an audit committee, a remuneration committee or a nominations committee established and the appointments to such committees will be revisited upon the completion of an Acquisition along with incorporating terms of reference for them; and
given the Company’s size, it has not yet developed a corporate and social responsibility policy. One will be put in place at the appropriate time.

The Board is responsible for the management of the business of the Company, setting the strategic direction of the Company and establishing the policies of the Company. It is the directors’ responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company, on behalf of the shareholders, to whom they are accountable. The primary duty of the directors is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal control and the Company’s approach to risk management.

To demonstrate the Company’s adherence to the QCA Code, the Company will hold timely board meetings as issues arise which require the attention of the Board. The Company will report to its shareholders as to its compliance with the QCA Code on an ongoing basis and will publish an updated Corporate Governance statement from time to time.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

David Carr
Director

27 December 2023

Tap Global Group Plc

Independent Auditor’s Report to the members

For the year ended 30 June 2023

Opinion

We have audited the financial statements of Tap Global Group Plc (the ‘parent company’) and its subsidiaries (‘the group’) for the year ended 30 June 2023 which comprise Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Parent Company Statement of Financial Position, Consolidated Statement of Change in Equity, Parent Statement of Change in Equity, Consolidated Statement of Cashflow, Parent Statement of Cashflow, notes to the consolidated financial statements and notes to the parent company financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the consolidated financial statements is applicable law UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements 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 group’s and of the parent company’s affairs as at 30 June 2023 and of the group’s loss for the year then ended;
- the consolidated financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006; and, as regards the group financial statements, Article 4 of the IAS Regulation 5.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed public interest entities, 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.

Our approach to the audit

Our scoping of the group and parent company audit was tailored to enable us to give an opinion on the consolidated financial statements as a whole. The group was subject to a full scope audit.

Key audit matters

Key audit matter is this matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. This matter included this which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Goodwill

Refer to Note 14 to the consolidated financial statements

The group tested the amount of goodwill for impairment. This impairment test is significant to our audit because the balance of goodwill of approximately GBP21,850,947 as at 30 June 2023 is material to the consolidated financial statements. In addition, the group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

- Assessing the identification of the related cash generating units;
- Assessing the arithmetical accuracy of the value-in-use calculations;
- Assessing the reasonableness of the key assumptions (including revenue growth, profit margins, terminal growth rates and discount rates);

We consider that the group's impairment test for goodwill is supported by the available evidence.

Our application of materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the consolidated financial statements and parent company financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the consolidated financial statements and parent company financial statements as a whole to be approximately £40,000, based on 2% of group revenue.

We used different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the consolidated financial statements and parent company financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at approximately £30,000 for the group and the parent.

Where considered appropriate performance materiality may be reduced to a lower, such as, for related party transactions and Directors' remuneration.

We agreed to report to it all identified errors in excess of approximately £2,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Conclusions relating to going concern

In auditing the consolidated financial statements and parent company financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements and parent company financial statements are appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- Assessing management's assumptions in modelling future financial performance and cash flow requirements, including consideration of the key changes arising from adopting the investment objective and ensuring investment commitments are reflected therein;
- Checking mathematical accuracy of the spreadsheet used to model future financial performance and cash flow requirements;
- Assessing the mitigating factors available to management including their ability to generate cash from the operation; and

- Assessing whether the management has adequately disclosure the conditions which cast significant doubt on the ability of the group and parent company to continue as a going concern in the consolidated financial statements and parent company financial statements.

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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with 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 group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Lee Lederberg FCCA (Senior Statutory Auditor)

For and on behalf of
Edwards Veeder (UK) Limited

Chartered accountants & statutory auditor
4 Broadgate Boardway Business Park
Chadderton, Oldham OL9 9XA

Date: 27 December 2023

Tap Global Group Plc

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	**2023** **£**	2022 £
REVENUE			
Revenue		2,016,086	50,000
Cost of sales		(494,488)	-
GROSS PROFIT		**1,521,598**	**50,000**
Operating expenses		(2,596,680)	(371,792)
Exchange difference		(21,941)	-
Fair value adjustments	5	(300,795)	-
Gain on sale of cryptoassets	5	323,178	-
Loss before income tax		**(1,074,640)**	**(321,792)**
Tax on loss	9	-	15,629
Total comprehensive loss for the year		**(1,074,640)**	**(306,163)**
Loss per shares Basic and diluted (Pence)	20	**(0.248)**	**(0.018)**

Group operations are classed as continuing.

The exemption under section 408 of the Companies Act 2006 from presenting the Parent Company's income statement has been taken. The Company's loss for the year was £1,344,142 (2022: £306,163).

The notes on pages 38 to 54 form part of these consolidated financial statements.

Tap Global Group Plc

Consolidated Statement of Financial Position

For the year ended 30 June 2023

	Notes	2023	2022
ASSETS		**£**	**£**
Non-current assets			
Tangible assets, including right-of-use assets	10	103,873	-
Investments	12	16,512	1,987
Intangible assets - cryptoassets held for investment	13	1,221,451	-
Intangible assets - website domains	14	1,234,389	-
Goodwill	14	21,850,947	-
Deferred tax asset	9	12,517	12,517
		24,439,689	**14,504**
Current assets			
Cash and cash equivalents	16	2,335,375	1,066,912
Financial assets		-	1,815,320
Trade and other receivables	15	115,523	102,078
		2,450,898	**2,984,310**
Total assets		**26,890,587**	**2,998,814**
LIABILITIES AND EQUITY			
Non-current liabilities			
Lease liability	11	61,925	-
		61,925	**-**
Current liabilities			
Trade payables	17	237,343	41,739
Accruals		197,250	98,225
Director's current account	18	679,451	-
Lease liability	11	31,776	-
		1,145,820	**139,964**
Equity			
Capital and reserves			
Called up share capital	23	2,223,466	1,701,243
Share premium		27,685,458	4,687,681
Option & warrant reserve		374,898	14,099
Profit and loss account		(4,600,980)	(3,544,173)
Equity shareholders' funds		**25,682,842**	**2,858,850**
Total liabilities and equity		**26,890,587**	**2,998,814**

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

Anthony Quirke
Director
Date: 27 December 2023

The notes on pages 38 to 54 form part of these consolidated financial statements.

Tap Global Group Plc

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

	Called up Share Capital	Share Premium	Option & Warrant Reserve	Profit and Loss Account	Total
	£	£	£	£	£
As at 1 July 2022	**1,701,243**	**4,687,681**	**14,099**	**(3,544,173)**	**2,858,850**
Total comprehensive loss for the year				(1,074,640)	(1,074,640)
Issue of shares	72,223	3,197,777	-	-	3,270,000
Acquisition of subsidiaries	450,000	19,800,000	-	-	20,250,000
Forfeiture of share options	-	-	(17,833)	17,833	-
Option & warrant reserve	-	-	378,632	-	378,632
As at 30 June 2023	**2,223,466**	**27,685,458**	**374,898**	**(4,600,980)**	**25,682,842**

	Called up share capital	Share premium	Option & warrant reserve	Profit and loss account	Total
	£	£	£	£	£
As at 1 July 2021	**1,701,243**	**4,687,681**	**9,120**	**(3,238,010)**	**3,160,034**
Total comprehensive loss for the year				(306,163)	(306,163)
Option & warrant reserve			4,979		4,979

As at 30 June 2022	**1,701,243**	**4,687,681**	**14,099**	**(3,544,173)**	**2,858,850**

The notes on pages 38 to 54 form part of these consolidated financial statements.

Tap Global Group Plc

Consolidated Statement of Cash Flows

For the year ended 30 June 2023

	2023 £	2022 £
Cash flow from operating activities		
Loss after taxation for the year	(1,074,640)	(306,163)
Adjustment for:		
Depreciation	18,876	-15,629
Amortisation	270,836	-
Financing costs	1,892	-
Share option charge	378,632	4,979
Fair value change of investment	300,795	82,552
Gain on sale of cryptoassets	(323,178)	(162,769)
Change in:		
Trade and other receivables	94,115	(27,338)
Trade and other payables	(1,283,699)	119,594
Cash generated from operations	(1,616,371)	(304,774)
Tax paid	-	(3,112)
Net cash used in operating activities	(1,616,371)	(307,886)
Cash flow from investing activities		
Acquisition of subsidiaries	323,840	-
Proceeds from cryptoassets	4,318,385	-
Additions of cryptoassets	(4,660,607)	-
Purchase of intangible assets	(338,558)	-
Purchase of tangible assets	(11,726)	-
Purchase of convertible loan note	-	(1,500,000)
Purchase of investment	-	(612,875)
Sale of investments	-	645,994
Net cash used in investing activities	(368,666)	(1,466,881)
Cash flow from financing activities		
Repayment of lease liabilities	(16,500)	-
Issued capital	3,270,000	-
Net cash used in financing activities	3,253,500	-
Increase/(decrease) in cash and cash equivalents	1,268,463	(1,774,767)
Cash and cash equivalents at the beginning of the year	1,066,912	2,841,679
Cash and cash equivalents at the end of the year	2,335,375	1,066,912

The notes on pages 38 to 54 form part of these consolidated financial statements.

Tap Global Group Plc

Notes to the Consolidated Financial Statements

For the year ended 30 June 2023

1. General Information

Tap Global Group PLC (formerly Quetzal Capital Plc) (the "parent company") is a public company limited by shares and incorporated in England and Wales. The parent company y is domiciled in the UK and its shares are admitted to trading on AQSE, a market operated by The London Stock Exchange. These consolidated financial statements comprise the parent company and its subsidiaries (together referred to as the "group"). The group's consolidated financial statements for the year ended 30 June 2023 were authorised for issue by the Board of Directors on 27 December 2023.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Statement of Compliance

The Consolidated group's Financial Statements have been prepared in accordance with UK-adopted international accounting standards in accordance with the requirements of the Companies Act 2006.

The parent company financial statements of Tap Global Group Plc (formerly Quetzal Capital Plc) have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The consolidated financial statements are prepared in sterling, which is the functional currency of the parent company. All amounts have been rounded to the nearest GBP.

Going concern

Details of the group's business activities, results, cash flows and resources, together with the risks it faces and other factors likely to affect its future development, performance and position are set out in the strategic report.

Consideration has been given to whether there is sufficient liquidity and financing to support the business, the post balance sheet trading of the group, the regulatory environment and the effectiveness of risk management policies. The Board, therefore, has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and therefore the financial statements are prepared on a going concern basis.

3.1 Basis of consolidation and significant accounting policies

The consolidated financial statements comprise the financial statements of all group subsidiaries as at 30 June each year using consistent accounting policies. Acquisition-related costs are expensed as incurred unless they result from the issuance of shares, in which case they are offset against the premium on those shares within equity.

Where considered appropriate, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by other members of the group. All intercompany transactions and balances between group enterprises are eliminated on consolidation.

Business combinations

The consolidated financial statements for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured, and settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. A non-controlling interest is recognised, representing the interests of minority shareholders in subsidiaries not wholly owned by the group.

Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated. On publishing the parent company financial statements here, together with the consolidated financial statements, the parent company is taking advantage of exemption in section 408 of the Companies Act 2006 not to present the individual income statement and related notes of the parent company which form part of these approved financial statements.

3.2 Foreign currency

In preparing these financial statements, transactions in currencies other than the parent company and group's presentational currency ("foreign currencies") are recorded at the rates of exchange prevailing on the dates of the transaction. At each statement of financial position date, monetary items in foreign currencies are translated into the presentational currency at the exchange rate prevailing at statement of financial position date. Exchange differences arising on the settlements of monetary items and on the retranslation of monetary items are included in the consolidated statement of comprehensive income for the year.

3.3 Revenue Recognition

The group applies IFRS 15 Revenue from Contracts with Customers for the recognition of revenue. IFRS 15 established a comprehensive framework for determining whether, how much and when revenue is recognised. It affects the timing and recognition of revenue items, but not generally the overall amount recognised the performance obligations of all revenue streams are satisfied on the transaction date or by the provision of the service for the period described in the contract. Revenue is not recognised where there is evidence to suggest that customers do not have the ability or intention to pay. The group does not have any contracts with customers where the performance obligations have not been fully satisfied. How the group recognises revenue for its significant revenue streams is described below:

Trading fees

This service relates to the facility to buy and sell currency, including digital currency (crypto currency). A contract is identified when a payment is approved by the group and the customer. Performance obligations and transaction prices are set out in the contract. Revenue is recognised on the transaction date.

Account fees

This service relates to the provision of account services. A contract is identified when a customer enters an agreement with the group for an account. Performance obligations and transaction prices are set out in the contract. Revenue related to monthly account fees are recognised during the month the account is provided.

Card fees

A contract is identified when it is approved by relevant parties and when the card is issued to the customer. Performance obligations and transaction prices are set out in the contract. Revenue from provision of card services is recognised over period in which they are provided. ATM transaction and out-of-currency variable fees are constrained to the amount not expected to be reversed. Variable revenue is recognised at the point at which it is unlikely to be reversed, typically the transaction date.

3.4 Investments

(a) Classification
Fair value through profit and loss equity investments are classified in this category if acquired principally for the purpose of trading or selling in the short term. Investments in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Recognition and Measurement
Regular purchases and sales of fair value through profit and loss equity investments are recognised on the trade date – the date on which the group commits to purchasing or selling the asset. They carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Income Statement. They are measured at fair value using the fair value hierarchy, as disclosed at note 24.

Fair value through profit and loss equity investments are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and the group has transferred substantially all of the risks and rewards of ownership.

Gains or losses arising from changes in the fair value of fair value through profit and loss equity investments at fair value through profit or loss are presented in the Income Statement.

3.5 Impairment of assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the group are assigned to those units.

3.6 Financial Assets

(a) Classification

The group classifies its financial assets in the following categories: at amortised cost including trade receivables and other financial assets at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(b) Recognition and measurement

Amortised cost

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade and other receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.
The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair value through profit or loss

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt instruments that do not qualify for measurement at either amortised cost (see above) or FVOCI;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Information about the methods and assumptions used in determining fair value is provided in note 24. For information about the methods and assumptions used in determining fair value refer to note 24. The group does not hold any financial assets that meet conditions for subsequent recognition at fair value through other comprehensive income ("FVTOCI").

(c) Impairment of financial assets

The group recognises an allowance for expected credit losses ("ECL"s) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original Effective Interest Rate ("EIR"). The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and other receivables due in less than 12 months, the group applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

The group considers a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(d) Derecognition

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3.7 Financial Liabilities

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

3.8 Expenditure

Expenses are recognised on the accrual basis.

3.9 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the asset capable of operating as intended. Depreciation is calculated at the following annual rates so as to write off the cost of fixed assets over their estimated useful lives using the reducing balance method:

Computer equipment 25%
Furniture and fittings 15%

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in statement of comprehensive income and included in other operating income. The carrying values of the tangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. All subsequent repairs, renewals and maintenance costs are charged to the statement of comprehensive income when incurred.

3.10 Leases

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the group by the end of the lease term or the cost of the right-of-use asset reflects that the group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. During the year, the right-of-use asset was depreciated over 6 years, which represented the unexpired portion of the lease.

The lease liability is initially measured at the present value of the expected future lease payments as at the commencement date of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate. The group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following: – fixed payments, including in-substance fixed payments; – variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; – amounts expected to be payable under a residual value guarantee; and – the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment, including right of use assets' and lease liabilities as disclosed on the face of the statement of financial position.

Short-term leases and leases of low-value assets

The group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.11 Cryptoassets

Cryptoassets are held principally for the purpose of trading in the near term or used in operations (hereafter called "Cryptoassets held for trading") or held for investment purposes. The group accounts for cryptoassets at their initial cost and subsequently re-measures the carrying amounts it owns at the end of the reporting period based on the quoted price published on the cryptocurrency exchanges.

Cryptoassets owned by the group are derecognized when the group has transferred all the risks and rewards of ownership by selling to verified third parties or through exchanges to obtain fiat currency delivered to its banking accounts, utilized by paying its vendors and personnel who accept this form of payment, or otherwise, losing control and therefore, access to the economic benefits associated with ownership of cryptoassets.

The IFRS Interpretations Committee ("IFRIC") published a tentative agenda decision: Holding of Cryptocurrencies - Agenda Paper 12, in 2019, which clarifies how to apply the holdings of cryptocurrencies' classification, recognition and measurement within issued IFRS Standards.

"The IFRIC observed that a holding of cryptocurrency meets the definition of an (1) intangible asset in IAS 38 on the grounds that (a) it is capable of being separated from the holder and sold or transferred individually; and (b) it does not give the holder a right to receive a fixed or determinable number of units of currency; or (2) in certain circumstances, inventory in accordance with IAS 2. Based on this conclusion, the classification, recognition and measurement, and disclosure requirements of IAS 38 or IAS 2 should be applied in regards to Bitcoin. Management has assessed the impact of the IFRIC's agenda decision and determined that the group's policies are consistent with the IFRIC decision.

The group's cryptoassets held for trading are accounted under IAS 2 Inventories under the guidance for broker-traders since the group holds cryptocurrencies for sale in the ordinary course of business. The cryptoassets held for trading is initially measured at fair value less cost to sell and subsequently being remeasured using fair value less cost to sell with the changes in profit or loss. The group has determined that costs to sell are negligible and immaterial to the financial statements.

Cryptoassets is considered Level 1 in accordance with the fair value hierarchy as it is based on a quoted (unadjusted) market price in an active market for identical assets."

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

3.13 Provisions

Provisions are recognised for liabilities of uncertain timing or amount when the group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

3.14 Intangible assets – computer software and website development

Computer software development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of comprehensive income as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of comprehensive income as incurred. Amortisation is calculated to write off the cost of computer software less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the statement of comprehensive income.

The estimated useful lives for current and comparative periods are as follows:

Computer software - 4 years
Website development - 4 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment of intangible assets – computer software and website development

At each reporting date, the group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment.

If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.15 Intangible assets - Goodwill

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. Where goodwill has been allocated to a cash-generating unit ("CGU") that CGU is tested for impairment annually to determine whether the carrying amount of the CGU may not be recoverable. An impairment loss in respect of goodwill is not reversed.

The group has recognised one CGU, called Crypto Asset Brokerage. This represents the lowest level at which goodwill is monitored for internal management purposes.

Management estimates discount rates using pre-tax rate that reflects the current market assessment of the time value of money and the specific risks associated with the asset for which the future cash flow estimates have not been adjusted. The rate used to discount the forecast cash flows are based upon the CGU's weighted average cost of capital (WACC). The WACC for the Crypto Asset Brokerage CGU was 14.0%, based on a WACC used by a listed business for a similar business model – see Appendix B for details.

The group prepared cash flow forecasts derived from the most recent financial budgets approved by management for the next five years. For the purpose of the value in use calculation the management forecasts were extrapolated into perpetuity using a growth rate of 2.0%, representing the expected long-run rate of inflation in the UK. The forecasts assume growth rates in acquisitions which in turn drive the forecast collections and cost figures.

The value in use of the crypto asset brokerage CGU was £24.2m which is in excess of the goodwill of £21.8m by £2.4m, more than 10%. Based on this analysis, the group has determined that the value in use of Crypto Asset Brokerage is in excess of the goodwill on the balance sheet and therefore no impairment of the goodwill is required.

3.16 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.17 Income Tax

Tax is recognised in the profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets are recognised on deductible temporary differences only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.18 Share Based Payments

The group operates an equity-settled share-based scheme, under which the entity receives services from employees or third-party suppliers as consideration for equity instruments (shares, options and warrants) of the group. The group may also issue warrants to share subscribers as part of a share placing. The fair value of the equity-settled share based payments is recognised as an expense in the income statement or charged to equity depending on the nature of the service provided or instrument issued. The total amount to be expensed or charged in the case of options is determined by reference to the fair value of the options or warrants granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability or sales growth targets, or remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

In the case of shares and warrants the amount charged to the share premium account is determined by reference to the fair value of the services received if available. If the fair value of the services received is not determinable the shares are valued by reference to the market price and the warrants are valued by reference to the fair value of the warrants granted as described previously.

Non-market vesting conditions are included in assumptions about the number of options or warrants that are expected to vest. The total expense or charge is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement or equity as appropriate, with a corresponding adjustment to another reserve in equity.

When the warrants or options are exercised, the group issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the warrants or options are exercised.

3.19 Related parties

(A) A person or a close member of that person's family is related to the group if that person:

(i) has control or joint control over the group;
(ii) has significant influence over the group; or
(iii) is a member of the key management personnel of the group or of a parent of the group.

(B) An entity is related to the group if any of the following conditions applies:

- (i) The entity and the group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group. If the group is itself such a plan, the sponsoring employers are also related to the group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to a parent of the Company.

3.20 Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the group to the funds.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the group can no longer withdraw the offer of those benefits and when the group recognises restructuring costs and involves the payment of termination benefits.

3.21 Events after the reporting period

Events after the reporting period that provide additional information about the group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

4. Judgements And Key Sources Of Estimation And Uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements.

If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

5. Operating Profit

Operating profit or loss is stated after charging/crediting:

	Group	
	2023	2022
	£	£
Fair value adjustment of listed shares	(300,795)	-
Gains on cryptocurrency assets	323,178	-
Total	**22,383**	-

6. Auditors Remuneration

	Group	
	2023	2022
	£	£
Fees payable for the audit of the financial statements	78,590	-
	78,590	-

7. Interest Payable And Similar Expenses

	Group	
	2023	**2022**
	£	**£**
Interest on lease liability	1,892	-
	1,892	-

8. Employees And Directors

The average monthly number of persons employed by the group during the year was as follows:

	Group	
	2023	**2022**
Directors	**8**	0
Employees	**4**	0

The aggregate payroll costs incurred during the year, relating to the above, were:	Group	
	2023	**2022**
	£	**£**
Directors	**665,821**	-
Employees	**168,602**	-

9. Taxation

The group's taxation charge or credit is the composite of:

1. Corporation tax credit arising on losses in the financial year; and
2. Deferred taxation arising on temporary and permanent timing differences and losses carried forward, to the extent that the group believes these to be recoverable from future taxable profits.

At 30 June 2023, the group had tax losses available to be offset against future taxable profits of (£1,074,640)

Major components of tax expense	Group	
	2023	**2022**
Current tax	**£**	**£**
UK current tax expense	**-**	**-**
Deferred tax		
Revaluation of listed investment	**12,517**	**12,517**

10. Tangible Assets – Right-Of-Use Assets

	Right-of-use asset	**Computer equipment**	**Fixtures & Fittings**	**Total**
Cost	**£**	**£**	**£**	**£**
Upon acquisition	190,650	12,882	3,735	207,267
Additions	-	9,972	1,754	11,726
Balance as at 30 June 2023	**190,650**	**22,854**	**5,489**	**218,993**
Depreciation				
Upon acquisition	87,381	7,462	1,401	96,244
Charge for the period	15,888	2,643	346	18,876
At 30 June 2023	**103,269**	**10,105**	**1,747**	**115,120**
Net book value				
At 30 June 2023	**87,381**	**12,749**	**3,743**	**103,873**
At 30 June 2022	-	-	-	-

11. Lease liability

	2023	2022
	£	£
Upon acquisition	**108,309**	-
Interest expense	**1,892**	-
Payments	**(16,500)**	-
At the end of the year	**93,701**	-
Current	**31,776**	-
Non-current	**61,925**	-

12. Tangible Assets - Investments

	Group 2023 £	Group 2022 £
As at 1 July 2022	**1,987**	1,987
Transfer from financial assets	**315,320**	**-**
Revaluations	**(300,795)**	**-**
At the end of the year	**16,512**	**1,987**

13. Intangible Assets – Cryptoassets Held for Investment

	Group 2023 £	Group 2022 £
Cryptoassets		
Upon acquisition	556,049	-
Additions	4,660,607	-
Disposals	(4,318,383)	-
Gain on sale of cryptoassets	323,178	-
At the end of the year	**1,221,451**	-

14. Intangibles – Other Intangibles

	Group 2023	Group 2022
Website & software development	**£**	**£**
Upon acquisition	**1,166,667**	-
Additions	**338,558**	-
Amortisation	**(270,836)**	-
At the end of the year	**1,234,389**	-

Intangible assets - goodwill

	Group 2023	Group 2022
Goodwill	**£**	**£**
Upon acquisition	**21,850,947**	-
Impairment	-	-
Net book value	**21,850,947**	-

15. Trade And Other Receivables

	Group	
	2023	**2022**
	£	**£**
Prepayments	**112,481**	-
Other debtors	**3,042**	-
At the end of the year	**115,523**	-

16. Cash And Cash Equivalents

	Group	
	2023	**2022**
	£	**£**
Cash at bank	**2,335,375**	1,066,912

17. Trade Payables

	Group	
	2023	**2022**
Trade payables	**£**	**£**
Trade creditors	**237,343**	41,739
At the end of the year	**237,343**	-

18. Related Party Transactions

Directors current account

	Group	
	2023	2022
	£	**£**
Balance upon acquisition	**1,994,975**	-
Transactions during the year	**(1,315,524)**	-
At the end of the year	**679,451**	-

19. Acquisitions

On 10 January 2023, the Group acquired Tap Global Limited and its subsidiaries. The total consideration was £20.25m, satisfied by the issue of shares. Tap Global Limited was providing an App and trading platform that allow customers to hold and trade crypto currencies and conduct fiat FX.

The fair value of the identifiable assets and liabilities of the above company as at its date of acquisition is as follows:

	£
Cash and cash equivalents	323,840
Trade and other receivables	107,561
Tangible Assets	111,023
Intangible Assets	1,166,667
Crypto Currency Assets	556,049
Trade Payables	(195,782)
Accruals	(67,021)
Lease liability	(108,309)
Investment Quetzal Liability	(1,500,000)
Director's current account	(1,994,975)
	(1,600,947)
Share consideration	20,250,000
Goodwill	**21,850,947**

20. Loss Per Share

The calculation of basic loss per share has been based on the loss attributable to ordinary shareholders. The loss after tax attributable to ordinary shareholders of the group is, £1,074,640 (2022: £306,163).

Loss per share is calculated by dividing the loss for the year attributable to ordinary shareholders of the parent by the number of ordinary and deferred shares outstanding during the year.

The effect of all potential ordinary shares are anti-dilutive for the year ended 30 June 2023 and 2022.

21. Subsidiary Undertakings

The parent company holds the share capital (both directly and indirectly) of the following companies

Subsidiary	Country of registration / incorporation	Class	Shares Held %
Tap Global Ltd	Gibraltar	Ordinary	100
Tap Technologies Limited*	Gibraltar	Ordinary	100
Tap Global Pty Ltd*	Australia	Ordinary	100
Tap Americas LLC*	United States of America	Ordinary	100

*denotes held indirectly

22. Share Options And Share Warrants

The group grants share options to employees as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the group. Under the plan, 1,125,000 options were granted for no cash consideration for a period of 2 years expiring on an extended date of 31 December 2023. The share options outstanding at 30 June 2023 had a weighted average remaining contractual life of 0.5 years (2022: 0.75). Maximum term of new options granted was 2 years from the grant date. The weighted average exercise price of share options as at the date of exercise is £0.00427 (2022: £0.0064).

John Taylor holds the following options:

Number	Exercise Price	Expiry Date	Vesting Conditions
150,000	£0.06	31 December 2023	Fully Vested
150,000	£0.08	31 December 2023	Fully Vested
150,000	£0.10	31 December 2023	Fully Vested

Fungai Ndoro retains the following share options granted to her:

Number	Exercise Price	Expiry Date	Vesting Conditions
112,500	£0.06	31 December 2023	Fully Vested
112,500	£0.08	31 December 2023	Fully Vested
112,500	£0.10	31 December 2023	Fully Vested

Simon Grant-Rennick retained the following share options granted to him on 10 March 2021. 75% of the original grant lapsed on Simon's resignation:

Number	Exercise Price	Expiry Date	Vesting Conditions
37,500	£0.06	31 December 2023	Fully Vested
37,500	£0.08	31 December 2023	Fully Vested
37,500	£0.10	31 December 2023	Fully Vested

Anthony Quirke holds the following options:

Number	Exercise Price	Expiry Date	Vesting Conditions
75,500	£0.06	31 December 2023	Fully Vested
75,500	£0.08	31 December 2023	Fully Vested
75,500	£0.10	31 December 2023	Fully Vested

Share Warrants

The group has 37,500,000 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the group at a price of £0.08 per share and will expire on 31 December 2023. Additionally, the group has a further 39,444,445 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the group at a price of £0.08 per share and will expire on 10 January 2026.

Furthermore, the group as an additional 1,000,000 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the group at a price of £0.045 per share and will expire on 10 January 2028.

The fair value of these share options expensed during the year was £378,632, being the value of the options and warrants attributable to the vesting periods to 30 June 2023 (2022: £4,979). The volatility is set by reference to the historic volatility of the share price of the Company.

23. Called Up Share Capital

COMPANY AND GROUP	2023 No.	2023 £	2022 No.	2022 £
Ordinary shares of £0.001 each	693,409,624	693,410	171,187,399	171,187
Deferred shares of £0.099 each	15,455,115	1,530,056	15,455,115	1,530,056
	708,864,739	**2,223,466**	**186,642,514**	**1,701,243**

24. Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

Disclosures of level in fair value hierarchy:

Description	**Fair value measurements using:** Level 1 HK$	Level 2 HK$	Level 3 HK$	**Total 2023 HK$**
Recurring fair value measurements:				
Investments at fair value through profit or loss				
Listed securities	**16,512**	**-**	**-**	**16,512**

Description	Fair value measurements using: Level 1 HK$	Level 2 HK$	Level 3 HK$	Total 2022 HK$
Recurring fair value measurements:				
Investments at fair value through profit or loss				
Listed securities	317,307	-	-	317,307

25. Events After The End Of The Reporting Period

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations or the state of affairs of the group in future financial years.

Tap Global Group Plc

Parent Company Statement of Financial Position

Year Ended 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	6	16,512	1,987
Investments in subsidiaries	6	20,250,000	-
		20,266,512	1,987
Current assets			
Debtors	7	12,997	102,078
Financial assets	8	-	1,815,320
Cash and cash equivalents		567,414	1,066,912
		580,411	2,984,310
Creditors: amounts falling due within one year	9	96,100	139,964
Net current assets		484,311	2,844,346
Total assets less current liabilities		20,750,823	2,846,333
Provisions	10	12,517	12,517
Net assets		**20,763,340**	**2,858,850**
Capital and reserves			
Called up share capital	12	2,223,466	1,701,243
Share premium		27,685,458	4,687,681
Option & warrant reserve		374,898	14,099
Capital reserves		(4,500,000)	-
Profit & loss accounts		(5,020,482)	(3,544,173)
Shareholders' funds		**20,763,340**	**2,858,850**

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

Anthony Quirke
Director

Date: 27 December 2023

The notes on pages 59 to 65 form part of these Parent Company financial statements.

Tap Global Group Plc

Parent Company Statement of Changes in Equity

Year Ended 30 June 2023

	Called up Share Capital £	Share Premium £	Option & Warrant Reserves £	Capital Reserves £	Profit & Loss Account £	Total £
As at 1 July 2022	**1,701,243**	**4,687,681**	**14,099**	**-**	**(3,544,173)**	**2,858,850**
Total comprehensive loss for the year	-	-	-	-	(1,494,142)	(1,494,142)
Issue of shares	522,223	3,177,777	-	-	-	3,700,000
Acquisition of subsidiaries	-	19,820,000	-		-	19,820,000
Deemed contribution	-	-	-	(4,500,000)	-	(4,500,000)
Forfeiture of share option	-	-	(17,833)	-	17,833	-
Option & warrant reserve	-	-	378,632	-	-	378,632
Balance at 30 June 2023	**2,223,466**	**27,685,458**	**374,898**	**(4,500,000)**	**(5,020,482)**	**20,763,340**

	Called up Share Capital £	Share Premium £	Option & Warrant Reserves £	Profit & Loss Account £	Total £
As at 1 July 2021	**1,701,243**	**4,687,681**	**9,120**	**(3,238,010)**	**3,160,034**
Total comprehensive loss for the year	-	-	-	(306,163)	(306,163)
Option & warrant reserve	-	-	4,979	-	4,979
Balance at 30 June 2022	**1,701,243**	**4,687,681**	**14,099**	**(3,544,173)**	**2,858,850**

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Called Up Share Capital	This represents the nominal value of shares issued.
Share Premium	Amount subscribed for share capital in excess of nominal value.
Profit & Loss Account	Cumulative net gains and losses recognised in the statement of comprehensive income.
Other Reserve	Cumulative fair value of options granted

The notes on pages 59 to 65 form part of these Parent Company financial statements

Tap Global Group Plc

Parent Company Statement of Cash Flows

Year Ended 30 June 2023

	2023 £	2022 £
Cash flows from operating activities		
Loss after taxation for the financial year	(1, 494,142)	(306,163)
Adjustments for:		
Tax on loss	-	(15,629)
Share option charge	378,632	4,979
Fair value adjustment of listed shares	-	82,552
Loss / (profit) on disposal of investments	300,795	(162,769)
Changes in:		
Trade and other debtors	(2,910,919)	(27,338)
Trade and other creditors	(43,864)	119,594
Net cash used in operating activities	(3,769,498)	(304,774)
Cash flows from investing activities		
Purchase of Convertible Loan Note	-	(1,500,000)
Purchase of investments	-	(612,875)
Sales of investments	-	645,994
Net cash used in investing activities	-	(1,466,881)
Cash flows from financing activities		
Tax paid	-	(3,112)
Share issue	3,700,000	-
Share issue expenses paid	(430,000)	-
Net cash used in financing activities	3,270,000	(3,112)
Decrease in cash and cash equivalents	(499,498)	(1,774,767)
Cash and cash equivalents at beginning of the year	1,066,912	2,841,679
Cash and cash equivalents at the end of the year	567,414	1,066,912

The notes on pages 59 to 65 form part of these Parent Company financial statements

1. General information

The Parent Company is a public company limited by shares, registered in England and Wales. The address of the registered office is 6th Floor, 60 Gracechurch Street, London, EC3V 0HR, United Kingdom

2. Statement of compliance

The Parent Company financial statements of Tap Global Group Plc (formerly Quetzal Capital Plc) have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006.

3. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these Parent Company financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparation

The Parent Company financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The Parent Company financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

The Parent Company made a loss for the year of £1,494,142 (2022: £306,163) and has net asset position of £20,763,340 (2022: £2,858,850). The directors continue to adopt the going concern basis of accounting in preparing the Parent Company financial statements.

The directors believe it is appropriate to prepare the Parent Company financial statements on a going concern basis as the Parent Company will have sufficient funds to finance its operations for the next 15 months from the approval of these Parent Company financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the Parent Company financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements
The are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have a significant effect on the amounts recognised in the Parent Company financial statements.

Key sources of estimation uncertainty
Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that

have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Parent Company are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the Parent Company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the Parent Company financial statements	25,000	7,100

5. Employees and directors

The average monthly number of persons employed by the Parent Company during the year was as follows:

	2023	2022
Directors	5	3
Employees	1	-

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023 £	2022 £
Directors	269,007	99,115
Employees	33,333	-

As in previous years this disclosure did not include social security costs, however, in 2023 this amounted to an additional £19,595. Currently all employees and directors are opted-out of a workplace pension and no pension contributions are made by the Parent Company on their behalf.

6. Investments

	Shares in group undertakings £	Other investments other than loans £	Total £
As at 1 July 2022	-	1,987	1,987
Additions	20,250,000	-	20,250,000
Transfer from financial assets	-	315,320	315,320
Revaluations	-	(300,795)	(300,795)
Balance at 30 June 2023	**20,250,000**	**16,512**	**20,266,512**

6. **Investments** (continued)

Carrying amount	Shares in group undertakings £	Other investments other than loans £	Total £
As at 30 June 2022	-	1,987	1,987
As at 30 June 2023	**20,250,000**	**16,512**	**20,266,512**

The Parent Company holds the share capital (both directly and indirectly) of the following companies

Subsidiary	Country of registration / incorporation	Class	Shares Held %
Tap Global Ltd	Gibraltar	Ordinary	100
Tap Technologies Limited*	Gibraltar	Ordinary	100
Tap Global Pty Ltd*	Australia	Ordinary	100
Tap Americas LLC*	United States of America	Ordinary	100

*denotes held indirectly

7. **Debtors**

	2023 £	2022 £
Prepayments and accrued income	12,997	23,092
VAT liability	-	21,057
Other debtors	-	57,929
	12,997	**102,078**

£296 (2022: £24,817) of other debtors represent funds held as a cash balance in a brokerage account.

8. **Financial assets**

	2023 £	2022 £
At fair value		
Available for sale listed and unlisted investments	-	1,815,320
	-	**1,815,320**

9. Creditors falling due within one year

	2023 £	2022 £
Trade creditors	7,450	41,739
Accruals	88,650	98,225
	96,100	**139,964**

10. Provisions

Carrying amount	**Deferred tax £**
As at 1 July 2022	(12,517)
Movement	-
Balance at 30 June 2023	**(12,517)**

11. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2023 £	2022 £
Included in provision (note 10)	(12,517)	(12,517)
	(12,517)	**(12,517)**

The deferred tax account consists of the tax effect of timing differences in respect of:

	2023 £	2022 £
Revaluation of listed investments / financial assets	(12,517)	(12,517)
	(12,517)	**(12,517)**

12. Called up share capital

	2023		2022	
COMPANY AND GROUP	**No.**	**£**	**No.**	**£**
Ordinary shares of £0.001 each	693,409,624	693,410	171,187,399	171,187
Deferred shares of £0.099 each	15,455,115	1,530,056	15,455,115	1,530,056
	708,864,739	**2,223,466**	**186,642,514**	**1,701,243**

13. Share options and share warrants

The Parent Company grants share options to employees as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Parent Company. Under the plan, 1,125,000 options were granted for no cash consideration for a period of 2 years expiring on an extended date of 31 December 2023. The share options outstanding at 30 June 2023 had a weighted average remaining contractual life of 0.5 years (2022: 0.75). Maximum term of new options granted was 2 years from the grant date. The weighted average exercise price of share options as at the date of exercise is £0.00402 (2022: £0.0064).

Share Options

John Taylor hold the following options:

Number	Exercise Price	Expiry Date	Vesting Conditions
150,000	£0.06	31 December 2023	Fully Vested
150,000	£0.08	31 December 2023	Fully Vested
150,000	£0.10	31 December 2023	Fully Vested

Fungai Ndoro retains the following share options granted to her:

Number	Exercise Price	Expiry Date	Vesting Conditions
112,500	£0.06	31 December 2023	Fully Vested
112,500	£0.08	31 December 2023	Fully Vested
112,500	£0.10	31 December 2023	Fully Vested

Simon Grant-Rennick retained the following share options granted to him on 10 March 2021. 75% of the original grant lapsed on Simon's resignation:

Number	Exercise Price	Expiry Date	Vesting Conditions
37,500	£0.06	31 December 2023	Fully Vested
37,500	£0.08	31 December 2023	Fully Vested
37,500	£0.10	31 December 2023	Fully Vested

Anthony Quirke hold the following options:

Number	Exercise Price	Expiry Date	Vesting Conditions
75,500	£0.06	31 December 2023	Fully Vested
75,500	£0.08	31 December 2023	Fully Vested
75,500	£0.10	31 December 2023	Fully Vested

Share Warrants
The Parent Company has 37,500,000 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the Parent Company at a price of £0.08 per share and will expire on 31 December 2023.

Additionally the Parent Company has a further 39,444,445 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the Parent Company at a price of £0.08 per share and will expire on 10 January 2026.

Furthermore, the Parent Company as an additional 1,000,000 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the Parent Company at a price of £0.045 per share and will expire on 10 January 2028.

The fair value of these share options and warrants expensed during the year was £378,632, being the value of the options and warrants attributable to the vesting periods to 30 June 2023 (2022: £4,979).

The volatility is set by reference to the historic volatility of the share price of the Parent Company.

14. Events after the end of the reporting period

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations or the state of affairs of the group in future financial years.

15. Related party transactions

All transactions with Directors are included within Notes 5 and 13.

16. Controlling party

The directors consider that there is no ultimate controlling party.

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