



Kiwi UK IP Co, Ltd
Annual Report and Financial Statements
For the Year Ended 31 December 2022
Company Number: 06754629

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Kiwi UK IP Co, Ltd
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Kiwi UK IP Co, Ltd
Company Information

Directors

Kristopher Love, Chief Finance Officer
Muhammad Mustaffa, Group Chief Strategy Officer

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Registered Office

10th Floor
135 Bishopsgate
London
United Kingdom
EC2M 3TP

Company Registration Number

06754629

Kiwi UK IP Co, Ltd
Strategic Report for the year ended 31 December 2022

The Directors present their Strategic Report on Kiwi UK IP Co, Ltd (the 'Company') for the year ended 31 December 2022.

Review of the business

The Company is a subsidiary of the FNZ Group Limited (formerly Kiwi Holdco CayCo, Ltd) group (the 'Group') that works with major financial institutions to provide a set of core, outsourced services that span the entire wealth management value chain.

The objective of the Company is now to act as a holding company for the investment in Bondsmiths Savings Limited ('Bondsmiths').

Outlook

The Company will continue to be used as a holding company for the Bondsmiths investment on behalf of the FNZ Group.

Going concern

Under Company law, the Company's Directors are required to consider whether it is appropriate to prepare financial statements on the basis that the Company is a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out within the Strategic and the Directors' Reports.

The Directors have performed the Going Concern review, giving particular consideration to the Company's net liability position at the year-end. The Company's net liability position results from amounts due to related entities and the Company has received confirmation from FNZ Group Limited that support will be provided to the Company by the Group in respect of these balances and the Directors are satisfied that sufficient resources are available to the Group to provide this support. Having performed the Going Concern review, the Directors are satisfied that the Company has access to sufficient resources to meet its liabilities for the twelve months following the date of signing, and therefore the Directors have confirmed that the financial statements should be prepared on a Going Concern basis.

Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a few Company-specific risks. The key business risk and uncertainty affecting the Company is the investment in Bondsmith. No indicators of impairment have arisen in 2022 which would, in management's opinion, give rise to an impairment of the carrying value of the investment.

Refer to note 13 for disclosure on the Company's financial risk management policy.

The Company did not have any employees for the financial year.

Approved by the Board on 31 July 2023 and signed on its behalf by:



Kristopher Love
Director

Kiwi UK IP Co, Ltd
Directors' Report for the year ended 31 December 2022

The Directors present their report and audited financial statements for the year ended 31 December 2022.

General information

Kiwi UK IP Co, Ltd is a limited liability company incorporated and domiciled in the United Kingdom with the registered number of 06754629 and has its registered address at 10th Floor, 135 Bishopsgate, London EC2M 3TPB.

Company information

The Company is a member of the FNZ Group Limited (formerly Kiwi Holdco CayCo, Ltd) group ('the Group') which is the only group the Company is a member of which prepares statutory consolidated financial statements. These financial statements can be obtained from Companies Office Level 1, 162 Victoria Street, Auckland, 1010, New Zealand. The registered address is FNZ House, Level 3, 29a Brandon Street, Wellington, 6011, New Zealand. The Company's ultimate parent company is Falcon Newco Limited (an exempted limited company formed under the laws of the Cayman Islands). The ultimate controlling party is FNZ Group Limited (a private limited company formed under the laws of New Zealand). The Company's immediate parent is FNZ Group Entities (formerly Kiwi UK Holdco 2, Ltd) (a private limited company formed under the laws of New Zealand).

	2022	2021
	£	£
Result for the year ended 31 December:		
Loss for the year	(184,031)	(253,358)
Appropriation:		
Loss attributable to equity holder	(184,031)	(253,358)

Dividend

In respect of the year ended 31 December 2022, the Directors recommended that no dividend be paid (2021: £nil).

Post balance sheet events

There are no post balance sheet events to disclose.

Directors and their Interests

The directors of the Company who were in office during the year and up to the date of the financial statements were Adrian Durham (resigned 29th June 2022), Christopher Aujard (resigned 29th June 2022), and Kristopher Love. Muhammad Mustaffa was appointed on 29th June 2022.

None of the Directors have a direct interest in the Company. The Directors do have an interest in the Company's ultimate controlling party FNZ Group Limited.

Directors' Indemnities

The directors have the benefit of an indemnity provision subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined in Section 234 of the Companies Act 2006. The cost of the indemnity is borne by other entities in the FNZ Group.

Kiwi UK IP Co, Ltd
Directors' Report for the year ended 31 December 2022 (continued)

Other disclosures

Information relating to the following statutory disclosures can be found as follows:

- Going Concern - within the Strategic Report on page 2;
- Future Developments - within the future outlook section of the Strategic Report on page 2;
- Financial Risk Management - within the Strategic Report on page 2.

Statement of Directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK-adopted international 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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Directors' Confirmations

In the case of each Director in office at the date the Directors report is approved:

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

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

The Board of Directors authorised these financial statements for issue on 31 July 2023.

Approved by the Board and signed on its behalf by



Kristopher Love
Director

Kiwi UK IP Co, Ltd
Independent Auditors' Report to the Members of Kiwi UK IP Co, Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Kiwi UK IP Co, Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Kiwi UK IP Co, Ltd
Independent Auditors' Report to the Members of Kiwi UK IP Co, Ltd (continued)

Reporting on other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Independent Auditors' Report to the Members of Kiwi UK IP Co, Ltd (continued)

Responsibilities for the financial statements and the audit (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Enquiries with management, internal legal counsel, and individuals outside the finance function, including consideration of known or suspected instances of non compliance with laws and regulations and fraud;
- Reviewing relevant meeting minutes including the Company Board, and those of the FNZ Group Limited group (of which the Company is a part) Board and Audit Committee;
- Designing audit procedures that incorporated unpredictability around the nature, timing or extent of our testing to material and immaterial financial statement line items;
- Identifying and testing journal entries, focusing on those determined by us as displaying higher fraud risk characteristics, such as, but not limited to, unusual account combinations; entries with descriptions containing key unexpected words, and review for entries posted by unexpected users.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

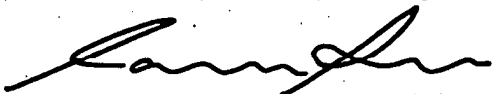
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Lauren Atkins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
31 July 2023

Kiwi UK IP Co, Ltd
Statement of Comprehensive Income for the year ended 31 December 2022

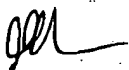
	Note	2022 £	2021 £
Operating expenses	4	(23,763)	(78,749)
Operating loss	4	(23,763)	(78,749)
Finance costs	5	(203,196)	(174,609)
Loss before taxation		(226,959)	(253,358)
Income tax credit	6	42,928	-
Loss and total comprehensive expense for the year		(184,031)	(253,358)

The notes on pages 12 to 21 form part of these financial statements.

Kiwi UK IP Co, Ltd
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Non-current assets			
Intangible assets	9	-	1,021
Investments in associates	10	10,090,255	
		<u>10,090,255</u>	<u>1,021</u>
Current assets			
Cash and cash equivalents	7	20,536	53
Trade and other receivables	8	43,013	-
		<u>63,549</u>	<u>53</u>
Total assets		<u><u>10,153,804</u></u>	<u><u>1,074</u></u>
Current liabilities			
Trade and other payables	11	12,255,997	4,919,236
Non-current liabilities			
Trade and other payables	11	3,000,000	-
Total liabilities		<u><u>15,255,997</u></u>	<u><u>4,919,236</u></u>
Equity			
Share capital	12	2	2
Share premium	12	799,999	799,999
Other reserve	12	3,827,042	3,827,042
Accumulated losses		(9,729,236)	(9,545,205)
Total equity		<u><u>(5,102,193)</u></u>	<u><u>(4,918,162)</u></u>
Total equity and liabilities		<u><u>10,153,804</u></u>	<u><u>1,074</u></u>

The financial statements on pages 8 to 21 were approved by the Board of Directors on 31 July 2023 and signed on its behalf by:



Kristopher Love
Director

Company registration number: 06754629

The notes on pages 12 to 21 form part of these financial statements.

Kiwi UK IP Co, Ltd
Statement of Changes in Equity for the year ended 31 December 2022

	Share capital £	Share premium £	Other reserve £	Accumulated losses £	Total equity £
Balance at 1 January 2021	2	799,999	3,827,042	(9,291,847)	(4,664,804)
Loss and total comprehensive expense for the year	-	-	-	(253,358)	(253,358)
Balance at 31 December 2021	2	799,999	3,827,042	(9,545,205)	(4,918,162)
Loss and total comprehensive expense for the year	-	-	-	(184,031)	(184,031)
Balance at 31 December 2022	2	799,999	3,827,042	(9,729,236)	(5,102,193)

The notes on pages 12 to 21 form part of these financial statements.

Kiwi UK IP Co, Ltd
Statement of Cash Flows for the year ended 31 December 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss before taxation	(226,959)	(253,358)
<i>Increases in:</i>		
Interest expense	203,196	174,609
Amortisation	1,021	21,272
Operating loss before working capital changes	<u>(22,742)</u>	<u>(57,477)</u>
<i>(Decreases)/increases in:</i>		
Receivables and accrued income	(85)	381
Trade and other payables	(6,690)	(54,569)
Net intercompany transactions	4,740,255	111,606
Operating profit/(loss) used in working capital changes	<u>4,710,738</u>	<u>(59)</u>
Net cash generated from/(used in) operating activities	<u>4,710,738</u>	<u>(59)</u>
Cash flows from investing activities		
Purchase of investment in associate	<u>(4,690,255)</u>	<u>-</u>
Net cash used in investing activities	<u>(4,690,255)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	20,483	(59)
Cash and cash equivalents at 1 January	53	112
Cash and cash equivalents at 31 December	<u>20,536</u>	<u>53</u>
Represented by:		
Cash	20,536	53
	<u>20,536</u>	<u>53</u>

The notes on pages 12 to 21 form part of these financial statements.

Kiwi UK IP Co, Ltd
Notes to the Financial Statements for the year ended 31 December 2022

1. General information

The principal activity of Kiwi UK IP Co, Ltd ('the Company') is to be the holding company for the investment in Bondsmiths. The following are the principal transactions for this company:

- In 2022 the Company acquired a holding of 0.001% (2021: nil%) ownership interest in Bondsmiths, a company limited by shares and incorporated in the United Kingdom. The Company's investment in Bondsmiths was £10,090,255 (2021: nil) at year end.

The Company is a private company limited by shares and is incorporated and domiciled in England with the registered number of 06754629 and has its registered address at 10th Floor, 135 Bishopsgate, London EC2M 3TPB.

The Company's ultimate parent company is Falcon Newco Limited (an exempted limited company formed under the laws of the Cayman Islands). The ultimate controlling party is FNZ Group Limited (a private limited company formed under the laws of New Zealand) and has its registered address at FNZ House, Level 3, 29a Brandon Street, 6011 Wellington, New Zealand. The Company's immediate parent is FNZ Group Entities (formerly Kiwi UK Holdco 2, Ltd) (a private limited company formed under the laws of New Zealand).

2. Statement of significant accounting policies

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

(a) Basis of presentation

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements have been prepared on the historical cost basis.

(b) Going concern

Under Company law, the Company's Directors are required to consider whether it is appropriate to prepare financial statements on the basis that the Company is a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out within the Strategic and the Directors' Reports.

The Directors have performed the Going Concern review, giving particular consideration to the Company's net liability position at year end. The Company's net liability position results from amounts due to related entities and the Company has received confirmation from FNZ Group Limited that support will be provided to the Company by the Group in respect of these balances. Consequently the Directors are satisfied that sufficient resources are available to the Group to provide this support for at least the twelve months following the date of signing. Therefore the Directors have confirmed that the financial statements should be prepared on a Going Concern basis.

2. Statement of significant accounting policies (continued)

(c) Finance costs

Finance income arising on financial assets at amortised cost is calculated using the effective interest method and is recognised in SOCI. Finance costs are calculated using the effective interest method according to the contractual obligations agreed over the full contractual term.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand available for use by the Company.

(e) Intangible assets

Intangible assets comprise acquired IP. IP is carried at cost less accumulated amortisation and any recognised impairment loss.

The Directors' have reviewed the useful life estimate of IP assets in the year and a useful life estimate of 3 years (2021: 3 years) has been applied to IP assets. The straight line method is applied to IP assets.

Throughout the year and at each balance sheet date, the Company reviews the carrying amounts of its IP assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, which is recognised as an expense immediately.

(f) Investment in associate

Associates are all entities over which the Company has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting whereby the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in its profit or loss. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. The carrying amount of equity-accounted investments are tested for impairment when a change in events or circumstances indicate that the carrying amount may not be recoverable.

(g) Trade and other receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Other receivables relate to a corporate tax asset, recognised in respect of the Company's loss in the year. This receivable is not interest bearing and will be collected within 9 months of the year-end.

(h) Trade and other payables

Trade and other payables are not interest bearing (except intra group payables) and are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2. Statement of significant accounting policies (continued)

(i) Intercompany receivables and payables

Intercompany receivables and payables are interest bearing and are initially recognised at fair value and subsequently at amortised cost. Interest applied to intercompany balances is calculated on the base rate of the country of the Company in receivable position plus 375 basis points (2021: base rate plus 375 basis points) and charged on the effective interest rate method. The Company holds intercompany receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost. The Company assesses on a forward looking basis the expected credit losses associated with these receivables and applies the simplified approach permitted by IFRS 9 to do so.

(j) Taxation

Corporation Tax is provided on the taxable profits at the standard UK corporation tax rate.

(k) VAT

The Company is subject to the standard rate of VAT.

3. Critical accounting estimates and judgements

The preparation of the Company's financial statements requires the use of accounting estimates where, by definition, it will not be known if they equal actual results. The Directors also have to make judgements and estimates on how to apply the Company's accounting policies. The Company has no significant accounting judgements or estimates.

Kiwi UK IP Co, Ltd

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

4. Operating expenses

	2022 £	2021 £
The operating loss is stated after charging:		
Accounting and professional fees	22,678	37,472
Amortisation of IP (note 9)	1,021	21,272
Licence fees	-	19,999
Other expenses	64	6
Total operating expenses	23,763	78,749

	2022 £	2021 £
Audit services:		
Statutory audit	18,563	24,570
Total paid to auditors	18,563	24,570

5. Finance costs

	2022 £	2021 £
Finance cost:		
Interest on intercompany balances	203,196	174,609
	203,196	174,609

Kiwi UK IP Co, Ltd

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

6. Income tax credit

The main rate of UK corporation tax is 19%. The tax assessed for the year differs from (2021: differs from) the statutory rate of corporation tax in the UK of 19% (2021: 19%); the differences are explained below.

	2022 £	2021 £
Loss before taxation	(226,959)	(253,358)
Tax credit at standard UK corporation tax rate of 19% (2021: 19%)	(43,122)	(48,138)
Adjusted by tax effect of:		
Non deductible expenses	194	-
Income tax credit	(42,928)	-

The UK Government has announced that from 1 April 2023 the corporation tax rate will increase to 25%. This legislative change was enacted on 10 June 2021.

7. Cash and cash equivalents

	2022 £	2021 £
Cash and cash equivalents	20,536	53

8. Trade and other receivables

	2022 £	2021 £
Prepayments	85	-
Corporate tax asset	42,928	-
	43,013	-

Kiwi UK IP Co, Ltd
Notes to the Financial Statements for the year ended 31 December 2022 (continued)

9 Intangible assets

	Intellectual Property Total £
Cost	
As at 1 January 2021	408,481
Additions	
As at 31 December 2021	408,481
Accumulated amortisation	
As at 1 January 2021	(386,188)
Amortisation charge for the year	(21,272)
As at 31 December 2021	(407,460)
Net book value	
As at 31 December 2021	1,021
Cost	
As at 1 January 2022 and 31 December 2022	408,481
Accumulated amortisation	
As at 1 January 2022	(407,460)
Amortisation charge for the year	(1,021)
As at 31 December 2022	(408,481)
Net book value	
As at 31 December 2022	-

The Directors' review of impairment indicators did not result in the inclusion of any impairment loss in the Statement of Comprehensive Income.

Kiwi UK IP Co, Ltd

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

10 Investment in associates

	Country of incorporation	Holding	Additions £	Loss recognised £	Closing balance £
Bondsmith Savings Limited ('Bondsmiths')	United Kingdom	0.001%	10,090,255	-	10,090,255
			<u>10,090,255</u>	<u>-</u>	<u>10,090,255</u>

The registered address of Bondsmiths is 124-128 City Road, London, England.

As at December 2022

The Company holds a 0.001% (2021: nil%) ownership interest in Bondsmiths, a company limited by shares and incorporated in the United Kingdom. The Company's investment in Bondsmiths was £10,090,255 (2021: nil) at year end. During the year the Company entered into an agreement with Bondsmiths which resulted in an increased investment of £10,090,255. None of the Company's voting rights have been impacted. The Company's ownership interest is complemented by directorships in Bondsmiths with two of the Group's key management personnel on the Board. Management has concluded that the Company has significant influence as defined by IAS 28 and therefore that this shareholding represents an investment in associate. Summarised financial information from the Bondsmiths has been presented below.

Summarised Balance Sheet	March 2023 £	March 2022 £	Summarised SOC	March 2023 £	March 2022 £
Non-current assets	3,206,011	481,083	Revenue	960,906	1,500
Current assets	6,510,571	1,203,823	Expenses	(3,827,863)	(567,879)
Total assets	9,716,582	1,684,906			
Current liabilities	(837,591)	(92,467)	Loss for the period	<u>(2,866,957)</u>	<u>(566,379)</u>
Non-current liabilities	(26,400)	-			
Total liabilities	(863,991)	(92,467)			
Net Assets	8,852,591	1,592,439			

11 Trade and other payables	Non-Current 2022 £	Current 2022 £	Non-Current 2021 £	Current 2021 £
Amounts due to related entities (note 14)	-	9,833,283	-	4,889,832
Deferred consideration	3,000,000	2,400,000	-	-
Other payables	-	22,714	-	29,404
	<u>3,000,000</u>	<u>12,255,997</u>	<u>-</u>	<u>4,919,236</u>

Trade and other payables are initially recorded at fair value and subsequently at amortised cost. They are unsecured and are not interest bearing (except amounts due to related entities which carry interest and are disclosed in note 14). Deferred consideration relates to amount's due in respect of the investment in Bondsmiths.

12 Capital and reserves

Issued and Authorised Share Capital

Total issued and authorised ordinary share capital as at 31 December 2022 is 2 (2021: 2) fully paid £1 ordinary shares. 1 share was issued on 18 October 2010, at £800,000, resulting in a share premium of £799,999. In 2014 a capital contribution was received from the ultimate parent company to resolve the net liabilities position. This capital contribution was by way of novation of intercompany balances owed to the parent company of £3,827,042 (2021: £3,827,042) which has created another reserve.

13 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including cash flow and interest rate risk), credit risk and liquidity risk. The Company's risk management programme includes a focus on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Group has dedicated Risk and Compliance Committees who focus on risk management. The Group Directors discuss risk management at their monthly Board meetings.

Market Risk

Foreign Exchange Risk

The Company is not exposed to foreign exchange risk, as the only currency that it transacts in is Pound Sterling ('GBP').

Price Risk

The Company is not exposed to price risk on any assets or liabilities as none are carried at market value.

Cash Flow and Interest Rate Risk

The Company's main interest bearing liabilities are its intercompany balances. The Company's income and operating cash flows are substantially independent of changes in market interest rates.

The Company analyses its interest rate exposure on an ongoing basis. On an annualised basis, if interest rates on all borrowings had been 200 (2021: 200) basis points higher/lower with all other variables held constant, Company pre-tax loss for the year would have been £130,494 (2021: £93,849) lower/higher respectively.

Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. The Directors do not consider credit risk to be a significant risk in the current year (2021: £nil). In the event of a credit risk materialising, Kiwi UK IP Co, Ltd would be able to mitigate this risk with support from the Group.

Kiwi UK IP Co, Ltd

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

13 Financial Risk Management (continued)

Liquidity Risk

Liquidity risk results from the possible inability of the company to meet their commitments as they fall due. The Directors ensure liquidity is maintained by actively managing liabilities through regular reviews of the cash-flow reporting and have sufficient funding facilities to meet the Company's needs.

The table below provides a maturity analysis for the Company's financial liabilities.

	6 months or less £	6 - 12 months £	1 - 5 years £	More than 5 years £
At 31 December 2022				
Amounts due to related entities (note 11)	9,833,283	-	-	-
Deferred consideration	1,000,000	1,400,000	3,000,000	-
Other payables	22,714	-	-	-
	<u>10,855,997</u>	<u>1,400,000</u>	<u>3,000,000</u>	<u>-</u>
At 31 December 2021				
Amounts due to related entities (note 11)	4,889,832	-	-	-
Other payables	29,404	-	-	-
	<u>4,919,236</u>	<u>-</u>	<u>-</u>	<u>-</u>

Capital management

The Company is not subject to externally imposed capital requirements. Management monitor available reserves within the Company to ensure these are sufficient to support the Company's ongoing activities. The Company engages with its Parent and receives the required support from the FNZ Group to ensure that it's capital requirements are met.

14 Related parties

The Company has entered into the following transactions with related parties during the year:

	Transactions in year to	
	2022	2021
	£	£
Other related entities		
Interest expense	(203,196)	(174,609)
Working capital movements	5,146,647	460,824
Net inflow	<u>4,943,451</u>	<u>286,215</u>

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Notes to the Financial Statements for the year ended 31 December 2022 (continued)

14 Related parties (continued)

The Company has the following balances with related parties at the end of the year:

Amounts Due to Related Entities

	Outstanding balances as at	
	2022	2021
	£	£
Other related entities		
Working capital movements	9,833,283	4,889,832
	<u>9,833,283</u>	<u>4,889,832</u>

15 Directors' remuneration

The Company's Directors received remuneration of £2,085,989 (2021: £2,882,579) during the year in respect of services performed for the FNZ Group. The Directors remuneration, including the highest paid director, is paid by other group companies within the FNZ Group and no recharge is apportioned to the Company for these services (2021: £nil). The Directors' services to the Company and to a number of fellow subsidiaries are of a non-executive nature, and it is not possible to make an accurate apportionment of their remuneration in respect of each of the group companies that they work on behalf of. Accordingly, the above details include no remuneration in respect of the highest paid director.

16 Employees

Kiwi UK IP Co, Ltd has no employees (2021: nil).

17 Impact of new accounting standards

New and amended standards adopted by the Company

No new standards or amendments have been adopted by the Company for the first time for the financial year beginning on 1 January 2022 which would be considered to have a material impact on the Company.

New and interpretations not yet adopted

There are no forthcoming standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

18 Commitments and contingencies

As at 31 December 2022 there were no capital commitments (2021: £nil). There are no contingent assets or liabilities as at 31 December 2021 (2021: none).

19 Subsequent events

There are no subsequent events to disclose.