

Company registration number 09479466 (England and Wales)

# **Calico Capital Limited**

**Annual Report And Financial Statements**

**For The Year Ended 31 March 2023**



## Calico Capital Limited

### Company Information

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**Directors** Mr S D Denham  
Mr T D Hughes  
Mr J E Manczak

**Company number** 09479466

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**Registered office** 100 Bishopsgate  
London  
EC2N 4AG

**Auditor** Loucas  
The Carriage House  
Mill Street  
Maidstone  
Kent  
ME15 6YE

**Business address** 100 Bishopsgate  
London  
EC2N 4AG

**Bankers** ClearBank  
Borough Yards  
13 Dirty Lane  
London  
SE1 9PA

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# Calico Capital Limited

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# Calico Capital Limited

## Strategic Report

For The Year Ended 31 March 2023

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The directors present the strategic report for the year ended 31 March 2023.

### Review of the business

The company was incorporated on 9 March 2015 and received authorisation from the Financial Conduct Authority ('FCA') to undertake investment services on 26 January 2016.

The company changed its name from Tigerwit Limited to Calico Capital Limited on 24 August 2023.

The results of the year and the financial position at the year-end were considered satisfactory by the directors.

The company's key performance indicators are turnover and net profit/(loss) before tax which is disclosed on page 9 of the financial statements.

### Principal risks and uncertainties

The directors are responsible for identifying principal risks and suitable mitigating strategies. The company seeks to mitigate its risks through the proactive quantification of such risks and by applying robust systems, controls and hedging tools so that the risks are deemed to be acceptable to the business. The company's Internal Capital and Risk Assessment ("ICARA") provides an ongoing assessment of the risks the company believes have the potential to have a significant detrimental impact on its financial performance.

The directors have identified that the principal risks and uncertainties involved with the company are:

- The regulatory environments in which the company operates changes in a way that impacts the activities of the company;
- The market risk the company accepts to provide instant execution of client orders results in a loss to the company;
- A bank or broker which the company uses defaults, resulting in the company's balances with that bank or broker not being recoverable;
- Failure of systems, controls or processes which underpin the operations of the company;

The company continues to maintain sufficient capital resources against regulatory capital requirements with calculations having been updated following the implementation of the Investment Firms Prudential Regime ("IFPR").

### Development and performance

At the year end the company had net assets of £1,491,251 (2022: £1,954,234)

### Strategic developments

During the year the shareholders of the company have recovered a minority stake of the company from a third party who was active in the cryptocurrency derivatives exchange space. This company was due to acquire Calico Capital Limited (formerly known as Tigerwit Limited) but external events caused this process to fail.

In light of the collapse of the acquirer the directors, having assessed the financial position of the company, made the decision to close down the loss-making units (principally the Stock Broking services under TimeToTrade and the CFD trading platform) and to reposition the company as a broader provider of trading and e-money services.

# Calico Capital Limited

## Strategic Report (Continued)

For The Year Ended 31 March 2023

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### Section 172 statement

Under Section 172 of the Companies Act 2006, the board has duty to promote the success of the company for the benefit of its members as a whole, having regard to the interests of the other stakeholders in the company, such as suppliers, and to do so with an understanding of the impact on the community and environment and with high standards of business conduct, which includes acting fairly between members of the company.

~~The board meets these responsibilities in the way it promotes the company's culture and ensures, as part of its regular oversight, that the integrity of the company's affairs is foremost in the way the activities are managed and promoted.~~

The board of directors meets regularly during the year to discuss various issues relating to corporate strategy and risk management. Central to these discussions are the duties contained within Section 172.

#### 1. The likely consequences of any decision in the long term

The board of directors makes informed, data-led decisions in order to best meet the long-term needs of the company's customers, employees, members and other stakeholders and assesses the likely impact of its decisions as part of this process.

#### 2. The interests of the company's employees

Employees are the key asset to support the company's objectives which cannot be delivered without skilled and able people. Directors and employees value stability and the opportunity to participate within the financial services profession, and to work with good people.

#### 3. The need to foster the company's business relationships with suppliers, customers and others

Customers are key to the future success of the business and understanding their needs is an integral part of providing relevant and compelling products and services which grow our customer base and increase the value which the company can deliver.

#### 4. The impact of the company's operations on the community and the environment

The company is configured to operate in a low impact way environmentally. As a predominantly digital business, its carbon footprint is minimal.

#### 5. The desirability of the company maintaining a reputation for high standards of business conduct

Directors set the standard and provide training and leadership to employees to operate with integrity and with respect for customers, suppliers, regulators and other stakeholders.

#### 6. The need to act fairly between members of the company

The company treats its stakeholders fairly and equally so they benefit from the delivery of the company's plan.

On behalf of the board

*1. Tim Hughes*

.....  
Mr T D Hughes

Director

07-09-2023

Date: .....

# Calico Capital Limited

## Directors' Report

For The Year Ended 31 March 2023

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

### Principal activities

The principal activity of the company continued to be that of the provision of investment services and trading as principal and agent in foreign exchange, equities and derivatives contracts including Contracts For Differences (CFDs) as well as the provision of the provision of professional and technological services.

The company changed its name from Tigerwit Limited to Calico Capital Limited on 24 August 2023.

### Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S D Denham

Mr T D Hughes

Mr J E Manczak

### Financial instruments

#### *Liquidity risk*

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

#### *Foreign currency risk*

The company's principal foreign currency exposures arise from foreign denominated instruments. Company policy does not demand that these exposures must be hedged in order to fix the cost in Sterling.

#### *Credit risk*

Investments of cash surpluses are made through banks and companies which fulfil credit rating criteria.

Customers are not permitted to trade on credit terms. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

### Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# Calico Capital Limited

## Directors' Report (Continued)

For The Year Ended 31 March 2023

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### Remuneration policy

The company is a non-SNI MIFIDPRU investment firm and so a policy is required to meet the obligations laid down in section 19G of the FCA's Senior Management Arrangements, Systems and Controls (SYSC) sourcebook, "MIFIDPRU Remuneration Code" (the 'Code').

The Remuneration Policy is designed to re-enforce the company's values, ethics, culture, promote right and proper behaviours, and allow the risks associated with remuneration to be avoided or managed, in accordance with the Code. This Remuneration Policy has been designed to support the strategy and long-term interests of the company, its shareholders and customers and other stakeholders and to allow the company to uphold its culture and values.

### Going concern

In assessing the company's going concern status the directors have considered the trading results since year end, the profit and loss, cash flow and regulatory capital resources forecasts for the company and the progress of plans to reposition the company (as mentioned in strategic developments paragraph in the Strategic Report).

The directors intend to launch e-money services, utilising the FCA EMI permissions acquired in 2021/22, in addition to re-establishing retail trading services under its new brand. Notwithstanding inherent uncertainties, the directors are confident that the new plan will complete successfully and accordingly, these financial statements have been prepared on a going concern basis which the directors consider appropriate in these circumstances.

Were the company no longer a going concern, adjustments may be required to the carrying value of assets, provisions would be required for the future liabilities arising as a consequence of the company ceasing business and assets currently classified as non-current would be reclassified as current.

On behalf of the board

*1. Tim Hughes*

Mr T D Hughes  
Director

07-09-2023

Date: .....

## Calico Capital Limited

### Directors' Responsibilities Statement

For The Year Ended 31 March 2023

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The directors are responsible for preparing the annual 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 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 steps for the prevention and detection of fraud and other irregularities.



# Calico Capital Limited

## Independent Auditor's Report

### To The Members Of Calico Capital Limited

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#### Opinion

We have audited the financial statements of Calico Capital Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

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

#### 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, based on the work undertaken in the course of our 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.

# Calico Capital Limited

## Independent Auditor's Report (Continued)

### To The Members Of Calico Capital Limited

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

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

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **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.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management's own consideration of fraud. In particular we assessed whether judgements made in making accounting estimates are indicative of potential bias, and evaluated the business rationale of significant transactions outside the normal course of business. We also addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments. We also considered potential financial or other pressures, opportunities and motivations for fraud. As part of discussions with management we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes.

We obtained an understanding of the legal and regulatory environment applicable to the company and established the most relevant laws and regulations are FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Companies Act 2006, direct and indirect taxation legislation in the United Kingdom, and operational laws and regulations including health and safety, employment law, anti-money laundering, anti-bribery and corruption, and GDPR rules.

Additionally we also identified Financial Conduct Authority (FCA) regulations as being regulations that could reasonably be expected to have a material effect on the financial statements. This has been identified through our experience of the sector in which the entity operates, and through discussions with the directors and management.

## Calico Capital Limited

### Independent Auditor's Report (Continued)

#### To The Members Of Calico Capital Limited

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We considered the extent of compliance with these laws and regulations as part of our procedures on the related financial statement lines. We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence, for example, review and inspection of legal invoices and correspondence with the relevant authorities and the entity's solicitors. With regards to the Financial Conduct Authority (FCA) regulations we reviewed the company's policies and procedures, the register of breaches and correspondence with the regulator.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentation or through collusion. There are inherent limitations in the audit procedures performed as non-compliance with laws and regulations may not necessarily be reflected in transactions reported in the financial statements, and therefore we may be less likely to become aware of it. Management and those charged with governance of the entity have the primary responsibility for the prevention and detection of fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

*Athos Louca*

**Mr Athos Louca FCCA, ICPAC**  
**Senior Statutory Auditor**  
**For and on behalf of Loucas**

07-09-2023

Date: .....

**Chartered Certified Accountants**  
**Statutory Auditor**

The Carriage House  
Mill Street  
Maidstone  
Kent  
ME15 6YE

# Calico Capital Limited

## Statement Of Comprehensive Income For The Year Ended 31 March 2023

	Notes	2023 £	2022 £
<b>Turnover</b>	<b>3</b>	1,508,638	1,647,732
Cost of sales		(28,240)	(27,010)
<b>Gross profit</b>		<u>1,480,398</u>	<u>1,620,722</u>
Administrative expenses		(1,940,692)	(1,831,416)
Other operating income		-	62,321
Exceptional item	<b>4</b>	(2,641)	-
<b>Operating loss</b>	<b>5</b>	<u>(462,935)</u>	<u>(148,373)</u>
Interest payable and similar expenses	<b>9</b>	(48)	(44)
<b>Loss before taxation</b>		<u>(462,983)</u>	<u>(148,417)</u>
Tax on loss	<b>10</b>	-	-
<b>Loss for the financial year</b>		<u><u>(462,983)</u></u>	<u><u>(148,417)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# Calico Capital Limited

## Balance Sheet

As At 31 March 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11		3,158		8,473
<b>Current assets</b>					
Debtors	13	611,722		799,493	
Cash at bank and in hand		1,060,007		1,434,630	
		<u>1,671,729</u>		<u>2,234,123</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(183,636)</u>		<u>(288,362)</u>	
<b>Net current assets</b>			1,488,093		1,945,761
<b>Net assets</b>			<u>1,491,251</u>		<u>1,954,234</u>
<b>Capital and reserves</b>					
Called up share capital	16		267		267
Share premium account	17		2,654,573		2,654,573
Profit and loss reserves	18		<u>(1,163,589)</u>		<u>(700,606)</u>
<b>Total equity</b>			<u>1,491,251</u>		<u>1,954,234</u>

07-09-2023

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

*T. Tim Hughes*

Mr T D Hughes  
Director

Company Registration No. 09479466

# Calico Capital Limited

## Statement Of Changes In Equity For The Year Ended 31 March 2023

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2021</b>	267	2,654,573	(552,189)	2,102,651
<b>Year ended 31 March 2022:</b>				
Loss and total comprehensive income for the year	-	-	(148,417)	(148,417)
<b>Balance at 31 March 2022</b>	267	2,654,573	(700,606)	1,954,234
<b>Year ended 31 March 2023:</b>				
Loss and total comprehensive income for the year	-	-	(462,983)	(462,983)
<b>Balance at 31 March 2023</b>	267	2,654,573	(1,163,589)	1,491,251

# Calico Capital Limited

## Statement Of Cash Flows

For The Year Ended 31 March 2023

		2023		2022	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	24	(374,575)		(562,653)	
Interest paid		(48)		(44)	
<b>Net cash outflow from operating activities</b>		<u>(374,623)</u>		<u>(562,697)</u>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(6,525)	
<b>Net cash used in investing activities</b>		<u>-</u>		<u>(6,525)</u>	
<b>Net decrease in cash and cash equivalents</b>		<u>(374,623)</u>		<u>(569,222)</u>	
Cash and cash equivalents at beginning of year		1,434,630		2,003,852	
<b>Cash and cash equivalents at end of year</b>		<u>1,060,007</u>		<u>1,434,630</u>	

# Calico Capital Limited

## Notes To The Financial Statements

For The Year Ended 31 March 2023

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### 1 Accounting policies

#### Company information

Calico Capital Limited is a private company limited by shares incorporated in England and Wales. The registered office is 100 Bishopsgate, London, EC2N 4AG.

The company changed its name from Tigerwit Limited to Calico Capital Limited on 24 August 2023.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents the net revenue from trading in foreign exchange, equities and derivatives contracts including Contracts for Differences ("CFD"), and fees received for professional and technological services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to Company and the revenue can be reliably measured.

#### 1.4 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

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



# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 1 Accounting policies

(Continued)

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

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

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

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.10 Retirement benefits**

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

#### **1.11 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

### 2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 3 Turnover

	2023 £	2022 £
<b>Turnover analysed by class of business</b>		
Trading	26,385	50,083
Provision of professional and technological services	1,482,253	1,597,649
	<u>1,508,638</u>	<u>1,647,732</u>
	2023 £	2022 £
<b>Turnover analysed by geographical market</b>		
Europe	47,571	35,471
Non-Europe	1,461,067	1,612,261
	<u>1,508,638</u>	<u>1,647,732</u>

### 4 Exceptional item

	2023 £	2022 £
<b>Expenditure</b>		
Loans written off	2,641	-

### 5 Operating loss

	2023 £	2022 £
Operating loss for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(6,663)	23,346
Depreciation of owned tangible fixed assets	5,315	7,505
Operating lease charges	77,713	(11,904)

### 6 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	12,000	25,495
<b>For other services</b>		
Other assurance services	2,750	22,470
Taxation compliance services	1,500	5,570
	<u>4,250</u>	<u>28,040</u>

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 7 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Administrative staff	-	11
Management	2	2
Total	<u>2</u>	<u>13</u>

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	302,647	643,136
Social security costs	52,076	84,264
Pension costs	2,706	9,414
	<u>357,429</u>	<u>736,814</u>

### 8 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	300,000	262,500
Company pension contributions to defined contribution schemes	2,642	2,642
	<u>302,642</u>	<u>265,142</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	150,000	150,000
Company pension contributions to defined contribution schemes	1,321	1,321
	<u>151,321</u>	<u>151,321</u>

### 9 Interest payable and similar expenses

	2023 £	2022 £
Other finance costs:		
Other interest	<u>48</u>	<u>44</u>

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

### For The Year Ended 31 March 2023

#### 10 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Loss before taxation	(462,983)	(148,417)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(87,967)	(28,199)
Tax effect of expenses that are not deductible in determining taxable profit	28,898	38,625
Unutilised tax losses carried forward	58,360	-
Other adjustments	709	(8,707)
Deferred tax movements	-	(1,719)
Taxation charge for the year	-	-

#### 11 Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	37,961
<b>Depreciation and impairment</b>	
At 1 April 2022	29,488
Depreciation charged in the year	5,315
At 31 March 2023	34,803
<b>Carrying amount</b>	
At 31 March 2023	3,158
At 31 March 2022	8,473

#### 12 Financial instruments

	2023 £	2022 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	503,395	720,368
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	140,662	271,142

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 12 Financial instruments

(Continued)

The company's cash and cash equivalents at the year end amounted to £1,060,007 (2022: £1,434,630).

The Company's key risks have been identified and grouped as either market, credit, liquidity, operational, business or people risks. The Firm has assessed these risks in its ICARA and has set out appropriate actions to manage them.

#### Market Risk

As a principal and market maker in CFDs and Spread Betting, the Company acts as principal in bilateral transactions with its clients. It does not engage in proprietary trading. The Firm's regulatory permission as a non Small and Interconnected MIFIDPRU firm allows it to internalise market risk according to defined risk limits. Other potential exposures are non-trading book exposures to foreign currency assets and liabilities held on our balance sheet.

Whilst the Company may apply fees in foreign currencies these are converted to Sterling upon receipt thus minimising any material exposure to currency risk on the balance sheet of the Company.

#### Credit Risk, including Counterparty Credit Risk ("CCR")

The Company's principal exposure to credit risk are that clients or counterparties fail to make payments as required under the terms of the relevant contracts and the exposure to banks, liquidity providers or other counterparties where cash is held.

The Company holds cash only with banks assigned high credit ratings. Liquidity providers and other counterparties are appointed only after the successful completion of the Company's due diligence processes. The Company applies automated close out and negative balance protection to client positions which significantly reduces its exposure to credit risk. All client money is held in segregated bank accounts and neither belongs to nor can be used by either the Company or the bank with whom the money is deposited.

#### Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations to suppliers or clients as well as the risk arising of the closure of client positions. The Company's approach to liquidity is to ensure that as far as possible it will always have sufficient liquidity to meet its operating expenses and client settlement obligations. This is achieved by ongoing monitoring of the Company's available working capital in proportion to the amounts due to clients and counterparties.

Any failure by the Firm to meet its payment obligations could result in market counterparties closing the Company's hedging positions or failure to meet client withdrawal requests, either of which would have material adverse consequences for the Company's business. The cash position of the Company is therefore monitored closely and contingency plans are always in place to meet unexpected demands.

#### Operational Risk

Operational Risk is the risk of loss as a result of inadequate or failed internal processes, people, systems, and/or external events. The mitigation of this risk incorporates stringent IT controls and processes undertaken as well as the regulatory and contingency planning done at Company level. The Company's operational risk appetite is conservative and it has implemented robust controls to mitigate the risk.

The Company's staffing levels also provide a level of contingency cover in all critical business areas. The Company has documented contingency planning and disaster recovery procedures and these are regularly reviewed and tested.

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 12 Financial instruments

(Continued)

#### Business Risk

Business risk means any risk to the Company arising from changes in its business including:

- the acute risk to earnings posed by falling or volatile income;
- the broader risk of the Company's business model or strategy proving to be inappropriate due to macro-economic, geopolitical, industry, regulatory or other factors; and
- the risk that the Company may not be able to carry out its business plan and desired strategy.

The Company considers that it has adequate capital to maintain the business at a viable level.

#### People Risk

The senior management team is well established and a broad range of strategic initiatives and projects are in progress. Whilst the Company recognises the risk arising out of recruitment as well as any failure to retain and develop its staff, it does not consider this risk to be significant.

#### Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to ensure there is always adequate capital to meet trading requirements, margin requirements, ongoing working capital requirements and the FCA's capital requirements. The Company sets the amount of trading capital in proportion to risk and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets / liabilities. In order to maintain or adjust the capital structure, the Company may issue new shares to its shareholders.

### 13 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	345,763	-
Corporation tax recoverable	52,332	24,657
Other debtors	187,436	462,360
Prepayments and accrued income	26,191	312,476
	<u>611,722</u>	<u>799,493</u>

### 14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	97,810	147,301
Corporation tax	27,675	-
Other taxation and social security	15,299	17,220
Other creditors	10,787	46,215
Accruals and deferred income	32,065	77,626
	<u>183,636</u>	<u>288,362</u>



# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 15 Retirement benefit schemes

	2023	2022
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	2,706	9,414

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 16 Share capital

	2023	2022	2023	2022
	Number	Number	£	£
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary A shares of 1p each	19,367	19,367	194	194
Ordinary B shares of 1p each	6,804	6,804	68	68
Ordinary C shares of 1p each	500	500	5	5
	<u>26,671</u>	<u>26,671</u>	<u>267</u>	<u>267</u>

### 17 Share premium account

	2023	2022
	£	£
At the beginning and end of the year	2,654,573	2,654,573

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

### 18 Profit and loss reserves

	2023	2022
	£	£
At the beginning of the year	(700,606)	(552,189)
Loss for the year	(462,983)	(148,417)
At the end of the year	<u>(1,163,589)</u>	<u>(700,606)</u>

Profit and loss account - This reserve records retained earnings and accumulated losses.

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 19 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	13,976	83,853
Between two and five years	-	13,976
	<u>13,976</u>	<u>97,829</u>

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

### For The Year Ended 31 March 2023

#### 20 Related party transactions

##### Transactions with related parties

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

	Sales		Purchases	
	2023	2022	2023	2022
	£	£	£	£
Other related parties	361,512	1,597,649	156,841	120,000

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
<b>Amounts due to related parties</b>		
Other related parties	18,274	-

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
<b>Amounts due from related parties</b>		
Other related parties	345,761	377,939

Turnover includes income of £341,145 (2022: £1,597,649) received from TigerWit Limited (a Bahamas entity) for professional and technological services, a company related by common shareholders. At 31 March 2023 £345,761 (2022: £377,503) was owed by the company to Calico Capital Limited. At 31 March 2023, Calico Capital Ltd owed £10,273 (2022: £Nil) to TigerWit Limited (a Bahamas entity).

Turnover includes income of £20,368 (2022: £Nil) received from Tantumtech Ltd for professional and technological services, a company related by common shareholders. At 31 March 2023 £Nil (2022: £436) was owed by the company to Calico Capital Limited.

The company paid Sensatus UK Limited, a company of which Mr S D Denham is a Director and shareholder, £92,000 (2022: £120,000) for IT services. At 31 March 2023, Calico Capital Ltd owed £Nil (2022: £Nil) to Sensatus UK Limited.

The company paid Offshore Services (Bahamas) Limited, a company of which Mr J Manczak is a Director and shareholder, £16,481 (2022: £Nil) for travel expenses and £48,000 (2022: £Nil) for non-executive director services. At 31 March 2023, Calico Capital Ltd owed £8,000 (2022: £Nil) to Offshore Services (Bahamas) Limited.

# Calico Capital Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

### 21 Directors' transactions

Interest free loans have been granted by the company to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Mr S D Denham -	-	1,158	494	(1,158)	494
Mr T D Hughes -	-	(502)	82,000	502	82,000
		<u>656</u>	<u>82,494</u>	<u>(656)</u>	<u>82,494</u>

### 22 Ultimate controlling party

The ultimate controlling party is Mr T D Hughes by virtue of his majority ownership of the shares in the company.

### 23 Client bank accounts

The company operates 4 client bank accounts. At 31 March 2023 the total balances held in these accounts was £80,468 (2022: £618,750). The funds are not included on the company's balance sheet as they do not belong to the company.

### 24 Cash absorbed by operations

	2023 £	2022 £
Loss for the year after tax	(462,983)	(148,417)
<b>Adjustments for:</b>		
Finance costs	48	44
Depreciation and impairment of tangible fixed assets	5,315	7,505
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	215,446	(517,185)
(Decrease)/increase in creditors	(132,401)	95,400
<b>Cash absorbed by operations</b>	<u>(374,575)</u>	<u>(562,653)</u>

### 25 Analysis of changes in net funds

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	<u>1,434,630</u>	<u>(374,623)</u>	<u>1,060,007</u>