

Company Registration No. 09564930 (England and Wales)

BITLISH LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019
PAGES FOR FILING WITH REGISTRAR

BITLISH LIMITED

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BITLISH LIMITED

BALANCE SHEET

AS AT 30 APRIL 2019

	Notes	2019 £	£	2018 £	£
Current assets					
Debtors	3	2,545,960		3,213,712	
Cash at bank and in hand		814,165		1,115,026	
		<u>3,360,125</u>		<u>4,328,738</u>	
Creditors: amounts falling due within one year	4	<u>(3,914,716)</u>		<u>(4,058,899)</u>	
Net current (liabilities)/assets			<u>(554,591)</u>		<u>269,839</u>
Capital and reserves					
Called up share capital	5	318,000		1,000	
Currency translation reserve		12,074		(5,118)	
Profit and loss reserve		<u>(884,665)</u>		<u>273,957</u>	
Total equity			<u>(554,591)</u>		<u>269,839</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 April 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 2 - 6 are an integral part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 8 May 2020 and are signed on its behalf by:

Mr Kirill Beutler
Director

Company Registration No. 09564930

BITLISH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

Company information

Bitlish Limited is a private company limited by shares incorporated in England and Wales. The registered office is 161-165 Farringdon Road, London, United Kingdom, EC1R 3AL.

1.1 Accounting convention

These financial statements have been prepared in accordance with the provisions of section 1A (Small Entities) of Financial Reporting Standard 102.

The financial statements are prepared in pound sterling. Monetary amounts in these financial statements are rounded to the nearest £.

The exchange rate of € / £ at the reporting date was 1.1632 (2018: 1.1455) and the average rate of € / £ for the year was 1.1365 (2018: 1.1311).

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include the revaluation of virtual currencies at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised when it is probable that economic benefits associated with the transaction will flow to the company and the income can be reliably measured.

Turnover represents commissions arising on customer trading activity primarily in virtual currencies (cryptocurrencies). Turnover is reported gross of commissions to agents as the company is acting as a principal and is exposed to the significant risks and rewards associated with its trading transactions with its customers.

1.3 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.

1.4 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 comprise other debtors and cash and bank balances are recognised at transaction price.

Impairment of financial assets

The company makes an estimate of the recoverable value of its other debtors. Where necessary an impairment provision is made.

BITLISH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(Continued)

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 which comprise other creditors and customer cash deposits are recognised at transaction price.

1.5 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.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

1.7 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.

1.8 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.

BITLISH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(Continued)

1.9 Foreign exchange

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rate at the date of the transactions.

At each reporting period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical costs are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Translation

Trading results of the company are translated from its function currency euro to its presentation currency pound sterling at the average exchange rate for the year. The assets and liabilities are translated at the exchange rate ruling at the year end. Exchange adjustments arising from the retranslation of opening reserves and from the translation of the profits or losses at average rate are recognised in currency translation reserve.

1.10 Virtual currencies (cryptocurrencies) transactions

Virtual currencies held on behalf of customers are recognised as an asset when a virtual currency is deposited by the customer based on the agreement between the company and the customer. Such virtual currencies are measured using the market price at the date the virtual currency was deposited.

At the same time, the company recognises an obligation to return the virtual currency to the customer as a liability (customer deposits). The liability is measured at the same amount of the corresponding asset.

Subsequently, virtual currencies held on behalf of customers are measured at their fair values at the balance sheet based on the active market prices. Liability recognised in relation to the virtual currencies held on behalf of customers at the balance sheet are measured at the same amount of the corresponding asset resulting in no gain or loss arising on virtual currencies held by the company on behalf of its customers.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2018: 1).

BITLISH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

3 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	56,887	-
Virtual currencies held on own behalf	212,794	89,597
Virtual currencies held on behalf of customers	234,141	1,202,466
Virtual currencies held on behalf of customers and loaned to third parties	2,014,983	1,814,476
Restricted cash	27,154	105,768
Other debtors	1	1,405
	<u>2,545,960</u>	<u>3,213,712</u>
4 Creditors: amounts falling due within one year	2019	2018
	£	£
Customer deposits - cash	1,599,308	952,793
Customer deposits - virtual currencies	2,249,124	3,016,942
Corporation tax	-	56,887
Other creditors	66,284	32,277
	<u>3,914,716</u>	<u>4,058,899</u>
5 Called up share capital	2019	2018
	£	£
Ordinary share capital (unpaid)		
318,000 (2018: 1,000) ordinary shares of £1 each	318,000	1,000
	<u>318,000</u>	<u>1,000</u>

On 18 December 2018 the company has issued 315,000 ordinary shares of £1.00 each to its existing shareholders proportionately to their existing holdings. The shares were allotted and fully paid on the date of issue.

On 15 January 2019 the company has issued a further 2,000 ordinary shares of £1.00 each to its existing shareholder proportionately to their existing holdings. The shares were allotted and fully paid on the date of issue.

On 15 January 2019 the company's shareholders fully paid for the previously issued and allotted share capital in the amount of £1,000 which remained unpaid at 30 April 2018.

BITLISH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

6 Operating lease commitments

Lessee

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

	2019 £	2018 £
Within one year	-	21,000
	<hr/>	<hr/>
	-	21,000
	<hr/>	<hr/>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.