

Company Registration No. 11722222 (England and Wales)

DIGIVALT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

PAGES FOR FILING WITH REGISTRAR

DIGIVault LIMITED

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DIGIVault LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3		96,212		113,929
Current assets					
Debtors	4	461,673		126,252	
Cash at bank and in hand		30,795		-	
		<u>492,468</u>		<u>126,252</u>	
Creditors: amounts falling due within one year	5	<u>(4,866,724)</u>		<u>(1,860,221)</u>	
Net current liabilities			<u>(4,374,256)</u>		<u>(1,733,969)</u>
Net liabilities			<u>(4,278,044)</u>		<u>(1,620,040)</u>
Capital and reserves					
Called up share capital	7		40		40
Profit and loss reserves			<u>(4,278,084)</u>		<u>(1,620,080)</u>
Total equity			<u>(4,278,044)</u>		<u>(1,620,040)</u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 20 December 2021 and are signed on its behalf by:

Mr P N Ewing
Director

Company Registration No. 11722222

DIGIVAULT LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 11 December 2018	-	-	-
Period ended 31 March 2020:			
Loss and total comprehensive income for the period	-	(1,620,080)	(1,620,080)
Issue of share capital	7 40	-	40
Balance at 31 March 2020	40	(1,620,080)	(1,620,040)
Year ended 31 March 2021:			
Loss and total comprehensive income for the year	-	(2,658,004)	(2,658,004)
Balance at 31 March 2021	40	(4,278,084)	(4,278,044)

DIGIVAULT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Digivault Limited is a private company limited by shares incorporated in England and Wales. The registered office is 118 Piccadilly, London, W1J 7NW.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in Pound 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

The financial statements have been prepared under the going concern basis. The company made a loss of £2,658,004 (2020: £1,620,080) during the year to 31 March 2021 and as of that date the financial statements reflect negative reserves of £4,278,084 (£1,620,080).

The COVID-19 pandemic has had a worldwide impact, forcing many businesses to close to the public. The Eqonex group have been able to fully operate remotely during this time. The directors have confirmed the intention, ability and willingness of the ultimate parent undertaking, Eqonex Limited, to maintain its financial support to enable the company to meet its liabilities as they fall due. Therefore, the directors consider it reasonable to continue to prepare the financial statements on a going concern basis.

1.3 Reporting period

The company had its first period of accounts from 11 December 2018 to 31 March 2020, due to which the comparative amounts are not a like for like comparison.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Tangible fixed assets

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

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:

IT equipment	20% Straight Line
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DIGIVault LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

1.7 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.

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.

1.8 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

1.9 Financial instruments

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

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

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

Basic financial assets

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

Classification of financial liabilities

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

DIGIVault LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

1.10 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.

1.11 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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the observable market price. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding recharge from the ultimate parent company is recognised.

DIGIVault LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

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

	2021 Number	2020 Number
Total	11	7

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2020	113,929
Additions	4,198
At 31 March 2021	118,127
Depreciation and impairment	
At 1 April 2020	-
Depreciation charged in the year	21,915
At 31 March 2021	21,915
Carrying amount	
At 31 March 2021	96,212
At 31 March 2020	113,929

DIGIVault LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Debtors	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	2,112	3,368
Amounts owed by group undertakings	398,516	24,232
Other debtors	61,045	98,652
	<u>461,673</u>	<u>126,252</u>

5 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	62,209	205,769
Amounts owed to group undertakings	4,619,882	1,594,278
Taxation and social security	78,650	28,515
Other creditors	105,983	31,659
	<u>4,866,724</u>	<u>1,860,221</u>

6 Share-based payment transactions	Number of share options		Weighted average valuation price	
	2021 Number	2020 Number	2021 £	2020 £
Outstanding at 1 April 2020	-	-	-	-
Granted	117,600	-	8.50	-
Outstanding at 31 March 2021	<u>117,600</u>	<u>-</u>	<u>8.50</u>	<u>-</u>
Valuation as at 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The options outstanding at 31 March 2021 had a valuation price of \$8.50.

Eqonex Limited (the ultimate parent company) is the equity issuing entity. The obligation to settle the share-based options lies with Eqonex Limited.

The ultimate parent company levied an intragroup recharge on Digivault Limited for the market value of the share-based payments costs which offset the capital contribution arising in Digivault Limited for the share-based payments. As a result, no equity has been recognised in the Digivault Limited accounts.

During the year, the company recognised total share-based payment expenses of £290,204 (2020 - £-) which related to equity settled share based payment transactions.

DIGIVAULT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7	Called up share capital	2021	2020
		£	£
	Ordinary share capital		
	Issued and fully paid		
	3,400 Class A of £0.01 each	34	34
	600 Class B of £0.01 each	6	6
		<u>40</u>	<u>40</u>
		<u><u>40</u></u>	<u><u>40</u></u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Paul Woosey and the auditor was CBW Audit Limited.

9 Events after the reporting date

On 12th of May 2021 the company was approved by the FCA under the AML/CTF registration regime.

10 Related party transactions

The Company has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' from the requirement to disclose transactions with wholly owned group companies on the grounds that all the group companies are wholly owned.

11 Parent company

Parent company and group companies

Eqonex Limited is the ultimate parent company and the group that prepares the consolidated accounts.

The consolidated accounts of Eqonex Limited can be obtained from:

140 Robinson Road

#18-01

Crown at Robinson

Singapore (068907)

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.