

DIGAX LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2018

DIGAX LIMITED
REGISTERED NUMBER: 10823029

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £
FIXED ASSETS		
Tangible assets	4	2,545
		<u>2,545</u>
CURRENT ASSETS		
Stocks		4,881
Debtors: amounts falling due within one year	6	13,800
Cash at bank and in hand	7	224,765
		<u>243,446</u>
Creditors: amounts falling due within one year	8	(38,197)
		<u>205,249</u>
NET CURRENT ASSETS		<u>205,249</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>207,794</u>
NET ASSETS		
		<u><u>207,794</u></u>
CAPITAL AND RESERVES		
Called up share capital	9	1,188
Share premium account	10	49,876
Capital contribution	10	325,000
Profit and loss account	10	(168,270)
		<u>207,794</u>

DIGAX LIMITED
REGISTERED NUMBER: 10823029

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2018

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 March 2019.

B Morley
Director

The notes on pages 3 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018**

1. GENERAL INFORMATION

The company is a private company limited by shares and incorporated in England & Wales. The registered number is 10823029 and the registered office is 22-30 Dukes Place, London, EC3A 7LP and the trading address is 5 Jewry Street, London, EC3N 2EX. The company incorporated and began trading on 16 June 2017, as a result there are no comparative figures.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The accounts have been prepared on the going concern basis which assumes the continued financial support of the company directors and shareholders.

2.3 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 PENSIONS

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.6 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	
		4 years on a straight line basis.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.7 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

DIGAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.10 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

3. EMPLOYEES

The average monthly number of employees, including directors, during the period was 5.

4. TANGIBLE FIXED ASSETS

	Computer equipment £
COST OR VALUATION	
Additions	3,059
At 30 June 2018	<hr/> 3,059 <hr/>
DEPRECIATION	
Charge for the period on owned assets	514
At 30 June 2018	<hr/> 514 <hr/>
NET BOOK VALUE	
At 30 June 2018	<hr/> <hr/> 2,545 <hr/> <hr/>

DIGAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018

5. STOCKS

	2018 £
Cryptocurrencies for resale	4,881
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	<u>4,881</u>

DIGAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018

6. DEBTORS

	2018 £
Other debtors	13,800
	<u>13,800</u>

7. CASH AND CASH EQUIVALENTS

	2018 £
Cash at bank and in hand	224,765
	<u>224,765</u>

8. CREDITORS: Amounts falling due within one year

	2018 £
Other creditors	35,697
Accruals and deferred income	2,500
	<u>38,197</u>

9. SHARE CAPITAL

	2018 £
Allotted, called up and fully paid	
1,188 Ordinary shares of £1.00 each	<u>1,188</u>

During the period 1,188 shares were issued and allotted.

DIGAX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018

10. RESERVES

Share premium account

During the period 124 shares were issued for £50,000 resulting in a share premium account of £49,876.

Other reserves

During the period £325,000 was contributed to the company which is to be converted in to share capital and share premium after the balance sheet date.

Profit and loss account

The profit and loss account represents cumulative profit and losses net of dividends and other adjustments.

11. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,511. Contributions totalling £1,161 were payable to the fund at the balance sheet date and are included in creditors.

12. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £
Not later than 1 year	46,000
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	<u>46,000</u>

13. RELATED PARTY TRANSACTIONS

During the year the company maintained a loan account with its directors. As at the period end the amount owed to the directors was £34,536.

During the year the director introduced trading stocks at a market value amounting to £21,299.

14. CONTROLLING PARTY

The company is under the control of its director B Morley by virtue of his shareholding.

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