Tally Central Ltd (formerly Tally Ltd)

Annual Report and Financial Statements

For the Financial Year Ended

30 June 2023

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Directors, Company Secretary and Advisors

Directors:

Cameron Parry (Chief Executive Officer)
Michael Joseph (Non-Executive Director)
Arun Ranganathan (Executive Director)

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Chief Executive Officer's Report

I am pleased to provide the following report for the financial year ended 30 June 2023 for Tally Central Ltd ("Tally Central" or "the Company"). The financial year saw the updating and implementation of foundational core aspects of Tally Central's proprietary platform technology, necessary for the Company's Money-as-a-Service ("MaaS") model and vision for a standalone global monetary system. 'Teco' (short for Tally Ecosystem) went live in May 2023 and from that time, the Company has been running its internal ledger architecture and debit cards vertical, independent of any Banking-as-a-Service ("BaaS") provider, and directly integrated with our cards processor, cards issuer and UK-based cards manufacturer.

Tally Central's monetary system, customer account and business model is peerless in providing the public with everyday accounts, each with a unique account number and sort code, delivering sound money, and providing an easy and convenient way for individual gold ownership. Every unit of tally® (the currency, spelt with a lowercase 't') represents 1 milligram of ethically-sourced physical gold from London Bullion Market Association (LBMA)-accredited brokers and stored with LBMA-accredited high security vaults, held on behalf of Tally customers. The Company's gold-based full-reserve monetary system works independently to the debt-based fiat-currency fractional-reserve banking system, whilst operating seamlessly with that global payments infrastructure. Tally Accounts are the first in the world to offer individual customer IBANs (International Bank Account Numbers) denominated in a currency that is not issued by a government.

Concurrent to Tally Central's platform technology and group infrastructure development, the financial year saw the sale of the Company's shareholding in India's leading private gold exploration company, Geomysore Services India Pvt Ltd ("Geomysore"), for shares in Bombay Stock Exchange-listed company, Deccan Gold Mines Limited ("Deccan"), for a profit on disposal of £3,452,521 and a £1,618,832 gain on revaluation of that investment as at the year end.

Revenues doubled year-on-year for the second year in a row, however as the organisational structure and headcount grew, administrative costs increased by 25% year on year. During the financial period, the value of our remaining Railsbank shares (valued at £2,107,440 on our balance sheet at the end of our previous financial year) was written off as Railsbank Technology Ltd went into administration in March 2023 and its assets purchased through a pre-pack administration process (it should be noted that the Company had over previous reporting periods, already generated cash returns in excess of £5m on its original £1.27m investment).

Tally Central was also negotiating with Deccan for the sale of its shares in Finnish gold exploration private company, Kalevala Gold Oy ("Kalevala"), with a deal concluding post year end, as outlined in Note 22 to the financial statements.

Key financials

The loss after tax for the year was £1,936,144 compared to the loss of £3,397,868 for the year ending 30 June 2022.

As at 30 June 2023, the Group's cash balances and cash equivalents was £547,270 (2022: £175,800) as well as gold holdings issued as tally, of £154,210. (2022: £137,183).

The Company started the financial year with 736,993,979 shares in issue. Tally issued 26,633,334 new ordinary shares at 3p each during the year increasing the total shares on issue to 763,627,313 representing an indicative company valuation of £22.9m at the end of the period (up 56% from £14.7m as at 30 June 2022). The new issue of shares comprised subscriptions for £799,000 at 3p each for 26,633,334 shares, and 13,566,667 warrants exercisable at 2x the IPO price within three years from IPO date. During the period the Company also converted fixed-strike price consultant warrants and staff options to 22,441,667 warrants exercisable at 2x the IPO price within three years from IPO date. In addition to the equity capital raising, Tally Central raised £2m through convertible loan notes, at an average 15%p.a. coupon, repayable in 12 months or convertible at 3p each during the term.

During the reporting year, Tally Central sold its 260,648 shares in Geomysore Services (India) Pvt Ltd at 1,606 1rupees each (a 24% uplift on cost price), paid for by the issuance of 12,666,388 new fully paid ordinary shares in Deccan (based on the then Deccan share price of 33.05 rupees each), which as at balance date had, following news of Deccan's acquisitions, increased by a further 81% to 59.78 rupees each and which shares are restricted from trading before April 2024.

During the reporting year, Railsbank Technology Limited went into Administration and its assets sold under a 'pre-pack' arrangement. As such Tally Central wrote off the £2,107,440 value of its remaining 3,000,000 Railsbank shares (of its original holding of 13,080,000 shares for its investment of £1.27m which returned cash in excess of £5m over previous financial years).

As at 30 June 2023, Tally Central was in negotiations to sell to Deccan its shareholding in Finnish gold exploration company, Kalevala Gold Oy, which deal, together with Tally Central participating in Deccan's placing held around the same time, was completed post balance date, as outlined in Note 22 to the financial statements.

Outlook

At Tally, we are on a mission to provide the public with the choice of using sound money for their everyday spending and savings, in a monetary system designed to protect and benefit the customer (not the bank). Tally Central offers a standalone full-reserve monetary system using physical-asset money, that works seamlessly with the fractional-reserve banking system of debt-based fiat currency, and the Company is at the forefront of addressing real-world problems facing the public caught in a state-run currency monopoly.

Tally Central Ltd continues to be funded through investment capital and returns generated on its investments. With the consolidation of Tally Central's gold exploration assets through the sale of our Indian and Finnish interests to Deccan Gold Mines Limited, and the uplift seen in Deccan's share price since completing those share exchanges, Tally Central is, overall, in a robust financial position. However as the Company's Deccan shares are restricted from trading before April 2024, the Company continues to monitor its cash needs and capital raising requirements to ensure a balance between development, marketing and recruitment, and to ensure sufficient working capital to achieve business growth and corporate objectives, including plans for listing the Company's shares on the London Stock Exchange.

Since the year end, Tally Central has successfully raised £2,500,000 in convertible notes and an additional £21,000 at 3p per share in equity.

On behalf of the Board, I would like to thank shareholders for their continued support and understanding as we establish Tally's independent monetary system and payments technology and grow Tally Central to be IPO ready. And I'd like to thank all members of our team at Tally for their efforts and commitment to our shared mission of providing the public with a mainstream alternative to the fiat currency fractional-reserve banking system.

Cameron Parry
Chief Executive Officer
7 March 2024

Board of Directors

Cameron John Parry (aged 49) (Chief Executive Officer)

Cameron Parry is the founder of the tally® physical gold digital currency and asset-based full-reserve monetary system and platform technology. He is a serial innovator and chief executive of quoted public companies who has built numerous start-ups, private and stock market-listed companies across industries including: financial technology, mining & exploration, life sciences and agribusiness.

Mr Parry was the founder and inaugural CEO of natural resources investing company Metal Tiger PLC (LSE: MTR) and co-founder and inaugural Executive Chairman of Coinsilium Group Ltd (NEX: COIN) – which he led to become the world's first blockchain industry company to list on a recognised investment exchange (Dec 2015). He created the vertically integrated gold company Lionsgold (LSE:LION), that evolved to become Tally Central Ltd and he is Joint-CEO and a major shareholder of 36-year-old London Stockbroking firm, First Equity Limited. First Equity is regulated by the Financial Conduct Authority ("FCA" Licence No. 124394) and Mr Parry is an FCA-approved person for relevant control functions (FCA reference number CJP01234).

Michael Paul Joseph (aged 52) (Non-Executive Director)

Michael Joseph is a highly successful entrepreneur and the CEO of Lucida Group, the parent company of Right Choice Insurance Brokers Ltd ("RCIB") which he founded in 2007, and grew to over £100m per year premium income and £10m earnings before tax. Under his leadership, the group has acquired a number of best-in-class businesses and now employs over 600 staff, providing insurance to in excess of 500,000 customers annually.

RCIB's business is underpinned by its own purpose-built data technology platform and the competitive advantage it delivers. In June 2018, Lloyds Bank private equity division ("LDC") invested £28m at a valuation well in excess of £100m. RCIB is regulated by the Financial Conduct Authority ("FCA" reference number 475620) and Mr Joseph is an FCA-approved person for relevant control functions (FCA reference number 01051). Mr Joseph is a member of the Bank of England, Decision Maker Panel.

Arun Ranganathan (aged 49) (Executive Director)

Arun Ranganathan is a highly driven platform technology developer. His expertise spans digital transformation, SaaS, mobile, banking, and payments and he has worked in start-ups, scale-ups and large corporates, spending years of his career in each of Bangalore, Dublin and London. He holds a double degree from the prestigious Birla Institute of Technology & Science in India.

Mr Ranganathan was formerly Director of Engineering at WEX and was CIO at the Oxford University incubation project that became Fuel 3D. He was also previously CTO at microfinance firm, Oakam, and CTO and co-founder of a start-up targeting motorcycle enthusiasts, where he built a user platform that leveraged Facebook technology. Over his career he has gained a unique understanding of synergies and the potential for connectivity between fintech and social media platform services.

Directors' Report

The Directors present their report together with the audited consolidated financial statements of the Group comprising Tally Central Ltd (previously Tally Ltd) ("the Company") and its subsidiaries for the year ended 30 June 2023 and the independent auditor's report thereon.

Performance review

The Group made a total comprehensive loss of £1,948,117 during the year ended 30 June 2023 (2022: total comprehensive loss of (£3,398,447).

Principal activities and future developments

The Group's principal activity is the provision of an asset-based full-reserve monetary system and platform technology with milligrams of physical gold used as digital currency (tally®). The platform enables the monetary ecosystem to instantly and seamlessly operate with the government-issued fractional-reserve fiat currency system through mainstream banking infrastructure and point-of-sale merchant facilities and ATMs. Tally Central Ltd is a global currency provider and the currency tally® is designed for distribution as a B2B product as well as offering tally-denominated individual everyday accounts B2C, operated via the Company's smartphone app and Mastercard® debit card.

Subsequent events

In July 2023, due to a coding error released into production before testing completed, a few dozen culprits were able to attempt to spend over £800,000 on virtual debit cards beyond what they held in tally. The systems that were in place and response times meant over £300,000 in goods ordered were not delivered and those funds retained. The remaining approximate £500,000 was promptly reported to police and is being pursued through debt collection and relevant legal processes. Following this event, the Company has reinforced its protocols, processes, and financial crime intelligence operations.

The Company completed the sale of its 810 shares in Kalevala Gold Oy to Deccan Gold Mines Limited, paid for by the issuance of 1,151,181 new fully paid ordinary shares in Deccan. Tally Central also invested US$100,000 equivalent in Deccan's placing held post balance date for another 154,516 Deccan shares, taking Tally Central's total holding in Deccan to 13,972,085 shares (representing 9.4% of the listed company at the date of this report).

Post year end, Tally Central has successfully raised an additional £2,500,000 in convertible loan notes ("CLNs") in 4 tranches being: £200,000, £300,000, £400,000 and £1,600,000. The CLNs are subject to the following terms: 18% interest over a 12 month period; conversion of all, or part, of the loan into shares at a conversion price of 3p per share; one warrant to be issued for every two conversion shares. In addition, Tally Central agreed to extend the term of an existing £1,000,000 CLN by 12 months. An additional £21,000 at 3p per share in equity was also raised, increasing the total shares in issue to 764,327,313 at the date of this report, representing a company valuation based on 3p per share of £22.9m.

Mr Alan Davies stepped down from the board at the end of July 2023 due to his other work and time commitments and the Directors thank Alan for his input at Board level over his more than two years tenure.

No further subsequent events took place that require disclosure in these consolidated financial statements.

Principal risks and uncertainties

The Group is exposed to a variety of financial risks including foreign exchange risk, market risk, liquidity risk, tax risk and credit risk. These risks are discussed in detail in Note 2.

Financial instruments and associated risks

The Board of Directors is committed to effective risk management and is responsible for ensuring that the Group has an appropriate framework in place to identify and effectively manage business risks and to monitor business performance and the Group's financial position. The Board is also responsible for overseeing compliance with regulatory, prudential, legal and ethical standards. These risks are discussed in detail in Note 17.

Directors' Report (Cont'd)

Accounting policies

The accounting policies of the Group as set out on pages 17 to 27 have been applied consistently during the year.

Dividends

No dividends have been paid and the Directors do not recommend the declaration of a dividend for the year ended 30 June 2023 (2022: nil).

Directors' remuneration and interests

2023		**Remuneration**		**Interests**	
Director	**Cash-based payments**	**Share-based payments**	**Totals**	**Shares**	**Warrants**
	£	£	£	No.	No.
Cameron Parry (Chief Executive Officer)	193,923	47,471	241,394	100,545,988	15,083,333
Michael Joseph*	-	-	-	53,525,000	5,000,000
Alan Davies***	-	23,736	23,736	14,600,000	5,000,000
Arun Ranganathan	145,442	-	145,442	566,087	6,000,000
	339,365	**71,207**	**410,572**	**169,237,075**	**31,083,333**

Refer to Note 14 for further information on the warrants held by Directors.
* Michael Joseph is to be paid £140,000 (including the £110,000 recorded at year end June 2022) in shares for the 4 years and 8 months to end of June 2023 that he acted as NED, contingent upon, and only in the event of, the Company relisting on a recognised investment exchange, calculated at the IPO price per share.
** Alan Davies is to be paid £70,000 (including the £40,000 recorded at year end June 2022) in shares for the 28-month period to end of June 2023 that he acted as NED, contingent upon, and only in the event of, the Company relisting on a recognised investment exchange, calculated at the IPO price per share.

2022		**Remuneration**			**Interests**	
Director	**Cash-based payments**	**Share-based payments**	**Totals**	**Shares**	**Options**	**Warrants**
	£	£	£	No.	No.	No.
Cameron Parry* (Chief Executive Officer)	172,939	-	172,939	100,545,988	10,000,000	5,083,333
Michael Joseph**	-	-	-	53,525,000	-	5,000,000
Alan Davies***	-	-	-	14,600,000	-	5,000,000
Arun Ranganathan	149,243	20,000	169,243	566,087	-	6,000,000
	322,182	**20,000**	**342,182**	**169,237,075**	**10,000,000**	**21,083,333**

Refer to Note 14 for further information on the warrants held by Directors.
* Cameron Parry invested cash of £5,000 during the financial year for 250,000 new ordinary shares and 250,000 IPO warrants (2021: cash invested £30,000). In addition, Yarramen Corp Limited, a company owned by the family trust of Cameron Parry, invested £1.3m at 2p per share, which investment was funded by a loan from Tally, for the sole purpose of participating in the placing of 65 million shares and 65 million warrants. The loan is repayable by 31 October 2025 and interest is charged on the outstanding amount at 2% p.a. and paid monthly.
** Michael Joseph is to be paid £110,000 (including the £80,000 recorded at year end June 2021) in shares for the 44-month period to end of June 2022 that he acted as NED, contingent upon, and only in the event of, the Company relisting on a recognised investment exchange, calculated at the IPO price per share.

*** Alan Davies is to be paid £40,000 (including the £10,000 recorded at year end June 2021) in shares for the 16-month period to end of June 2022 that he acted as NED, contingent upon, and only in the event of, the Company relisting on a recognised investment exchange, calculated at the IPO price per share.

Directors' Report (Cont'd)

Results for the year and financial position as at 30 June 2023

The Consolidated Statement of Comprehensive Income and the Consolidated Statement of Financial Position are set out on pages 11 and 12 of the financial statements.

Accounting records

The Directors believe that they have complied with the requirements of Section 244 of the Companies (Guernsey) Law 2008, as amended with regards to the financial statements by employing appropriate expertise and providing adequate resources to the financial function within the Group.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Companies (Guernsey) Law 2008, as amended require the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the EU and applicable law.

The financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for the year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law 2008, as amended. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors' confirmation

The Directors confirm that they have complied with the requirements in preparation of the financial statements as at the date of approval of this report. So far as the Directors who held office at the date of approval of this Directors' Report are aware, there is no relevant audit information of which the Group's auditor is unaware, having taken all the steps the Directors ought to have taken to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern. The Directors consider that the Group will have access to adequate resources, as set out below, to meet operational requirements for at least 12 months from the date of approval of these financial statements as well as the Group's remaining commitments to investments. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Group's source of operating cash inflows for the financial year are account keeping and account activation fees, margin revenue, Mastercard interchange revenue and interest income. The Group has incurred net operating cash outflows for the year ended 30 June 2023 of £1,742,690 (2022: outflow of £2,067,839). As at 30 June 2023, the Group had cash of £547,270 (2022: £175,800), and net current assets (current assets, including cash and cash equivalents, less current liabilities) of £5,695,283 (2022: net current assets of £3,914,734).

Tally Central Ltd raised £2,000,000 in convertible loan notes in the first half of calendar year 2023 and since the balance sheet date has raised another £2,500,000 in convertible loan notes as part of a larger round and those capital raising activities are continuing. The Company has finalised the sale of its non-core non-current assets, being equity interests in gold exploration companies in India and Finland, for shares in a listed entity that can be marked-to-market as current assets and accessed from April 2024 to support working capital requirements if needed. The Company then plans to IPO as a self-funded fintech with a platform technology with global application. Although there can be no guarantee that the Company will be able to raise sufficient capital pre-IPO, the Company has historically generated sufficient working capital periodically through equity capital raises and/or selling assets held for sale, to fund ongoing operations. We are confident that sufficient capital will be available as required for at least the next 12 months from capital raisings and asset sales.

On behalf of the Board

Cameron Parry - Director
7 March 2024

Tally Central Ltd and its controlled entities
Consolidated Statement of Comprehensive Income
for the year ended 30 June 2023

	Note	Group 2023 £	Group 2022 £
Continuing operations			
Revenue	10	253,661	125,203
Administrative expenses		(3,617,562)	(2,817,398)
Loss from operating activities		(3,363,901)	(2,692,195)
Finance income	4	27,006	13,037
Finance costs	4	(64,227)	(30,463)
Net financing costs		(37,221)	(17,426)
Share of loss of associate	8	-	(13,826)
Profit on disposal of held for sale investment	8	2,343,275	-
Gain on financial assets held at fair value through profit or loss	9	1,618,832	-
Impairment	8	(2,107,440)	(930,287)
(Loss)/ gain on financial assets at fair value through profit or loss	9	(34,062)	101,407
Profit/(loss) before tax		(1,580,517)	(3,552,327)
Income tax	5	(355,627)	154,459
Profit/(loss) for the year		(1,936,144)	(3,397,868)
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss			
Foreign exchange translation		(11,973)	(579)
Total comprehensive profit/(loss) for the year		(1,948,117)	(3,398,447)
Basic earnings/(loss) per share (p)	16	(0.258)	(0.48)
Diluted earnings/(loss) per share (p)	16	(0.258)	(0.48)

The notes on pages 17 to 49 are an integral part of the consolidated financial statements.

Tally Central Ltd and its controlled entities
Consolidated Statement of Financial Position
as at 30 June 2023

	Note	Group 2023 £	2022 £
Non-current assets			
Intangible assets	6	1,037,472	1,303,105
Tangible assets	7	28,083	25,037
Right of use asset	18	47,861	143,583
Other receivables	11	1,300,000	1,722,500
Investments at fair value through profit or loss	8	-	2,107,440
Total non-current assets		2,413,416	5,301,665
Current assets			
Assets classified as held for sale	8	594,251	3,892,835
Financial assets at fair value through profit or loss	9	7,414,901	137,183
Trade and other receivables	11	357,365	525,356
Cash and cash equivalents	17	547,270	175,800
Total current assets		8,913,787	4,731,174
Total assets		11,327,203	10,032,839
Current liabilities			
Trade and other payables	12	1,093,326	719,057
Lease liabilities	18	50,178	97,383
Loans Payable	13	2,075,000	-
Total current liabilities		3,218,504	816,440
Non-current liabilities			
Deferred Income	12	475,202	475,202
Lease liabilities	18	-	50,177
Total non-current liabilities		475,202	525,379
Total net assets		**7,633,497**	**8,691,020**
Equity			
Share capital	15	-	-
Share premium	15	32,833,079	32,074,279
Reserves	15	9,928	21,901
Shares to be issued	15	25,260	-
Share Based Payment Reserve	15	129,955	68,295
Accumulated losses		(25,364,725)	(23,473,455)
Total equity		**7,633,497**	**8,691,020**

These financial statements were approved by the Board of Directors on the 7 March 2024 and were signed on its behalf by:

Cameron Parry
Director

The notes on pages 17 to 49 are an integral part of the consolidated financial statements.

Tally Central Ltd and its controlled entities
Consolidated Statement of Changes in Equity
for year ended 30 June 2023

	Share capital	Share premium	Share based payment reserve	Foreign exchange translation reserve	Shares to be issued reserve	Accumulated losses	Total equity
	£	£	£	£	£	£	£
Balance at 30 June 2022	**-**	**32,074,279**	**68,295**	**21,901**	**-**	**(23,473,455)**	**8,691,020**
Loss for the year	-	-	-	-	-	(1,936,144)	(1,936,144)
Other comprehensive loss - foreign exchange translation	-	-	-	(11,973)	-	-	(11,973)
Total comprehensive income for the year	-	-	-	(11,973)	-	(1,936,144)	(1,948,117)
Issue of shares	-	799,000	-	-	25,260	-	824,260
Cost of issue	-	(40,200)	-	-	-	-	(40,200)
Expired warrants			(44,874)			44,874	-
Issue of warrants	-		106,534	-	-	-	106,534
Total contributions by and distributions to owners	-	758,800	61,660	-	25,260	44,874	890,594
Balance at 30 June 2023	**-**	**32,833,079**	**129,955**	**9,928**	**25,260**	**(25,364,725)**	**7,633,497**

The notes on pages 17 to 49 are an integral part of the consolidated financial statements.

Tally Central Ltd and its controlled entities
Consolidated Statement of Changes in Equity
for year ended 30 June 2022

	Share capital	Share premium	Share based payment reserve	Foreign exchange translation reserve	Shares to be issued reserve	Accumulated losses	Total equity
	£	£	£	£	£	£	£
Balance at 30 June 2021	**-**	**30,699,730**	**51,352**	**22,480**	**-**	**(20,075,587)**	**10,697,975**
Profit for the year	-	-	-	-	-	(3,397,868)	(3,397,868)
Other comprehensive loss – foreign exchange translation	-	-	-	(579)	-	-	(579)
Total comprehensive income for the year	-	-	-	(579)	-	(3,397,868)	(3,398,447)
Issue of shares	-	1,378,592	-	-	-	-	1,378,592
Cost of issue	-	(3,300)	-	-	-	-	(3,300)
Issue of warrants	-	(743)	16,943	-	-	-	16,200
Total contributions by and distributions to owners	-	1,374,549	16,943	-	-	-	1,391,492
Balance at 30 June 2022	**-**	**32,074,279**	**68,295**	**21,901**	**-**	**(23,473,455)**	**8,691,020**

The notes on pages 17 to 49 are an integral part of the consolidated financial statements.

Tally Central Ltd and its controlled entities
Consolidated Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023	2022
		£	£
Cash flows from operating activities			
Profit/(loss) for the year		(1,936,144)	(3,397,868)
Adjustments for:			
Depreciation	7,18	105,387	104,524
Amortisation	6	678,936	465,116
Impairment	6	70,154	-
Share of loss of associate	8	-	13,826
Fair value movement on investments and financial assets	9	34,062	828,880
Share based payments to consultants / employee	14,15	116,794	16,200
Net financing charge		78,027	17,426
Profit on sale of Investment	8	(3,452,521)	-
Loss on Sale of Investment	8	2,107,440	-
Fair Value Adjustment	9	(1,618,832)	-
Loan Write off	8	1,109,246	-
Foreign exchange variances		-	(579)
Operating loss before changes in working capital and provisions		(2,707,450)	(1,952,475)
Change in trade and other receivables	11	590,491	(884,054)
Change in trade and other payables	12	374,269	768,690
Net cash used in operating activities		(1,742,690)	(2,067,839)
Cash flows from investing activities			
Net financing charge		-	(17,426)
Acquisition of intangible assets	6	(483,457)	(642,600)
Acquisition of tangible assets	7	(12,712)	(13,203)
Acquisition of financial assets at fair value	9	(51,089)	17,108
-17Investments in assets classified as held for sale / associates	8	-	(14,995)
Exceptional costs	8	-	(13,735)
Disposal of investments at fair value	8	-	2,746,189
Net cash from investing activities		(547,258)	2,061,338
Cash flows from financing activities			
Proceeds from the issue of shares	15	799,000	78,592
Cost of Issue	15	(40,200)	(3,300)
Issue of convertible loan notes	13	2,000,000	-
Repayment of lease liabilities	18	(97,382)	(93,671)
Net cash from financing activities		2,661,418	(18,379)
Net increase/(decrease) in cash and cash equivalents		371,470	(24,880)
Cash and cash equivalents at 1 July		175,800	200,680
Cash and cash equivalents at 30 June		547,270	175,800

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1. Accounting policies

1.1 Reporting entity

The Group financial statements consolidate those of Tally Central Ltd (formerly Tally Ltd) and its controlled entities (together referred to as the "Company" or "Group"").

As at 30 June 2023, the direct and indirect wholly owned subsidiaries of the Company were:

- TallyMoney Ltd;
- Lionsgold India Holdings Ltd (Mauritius); and
- Kolar Gold Resources (India) Private Limited.

The Group financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"). The financial statements comply with the Companies (Guernsey) Law, 2008 as amended and give a true and fair view of the state of affairs of the Group.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

1.2 Measurement convention

The financial statements are prepared on the historical cost basis, except for the following items in the statement of financial position and statement of comprehensive income:

- Share-based payments are measured at fair value;
- Financial assets and investments at fair value through profit or loss;
- Assets held for sale, held at the lower of the carrying value or fair value less costs to sell; and
- Investment in associates measured using the equity accounting method (see Note 1.5).

The financial statements are presented in Great British Pounds ("GBP" or "£"). The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 1.21.

1.3 Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern. The Directors consider that the Group will have access to adequate resources, as set out below, to meet operational requirements for at least 12 months from the date of approval of these financial statements as well as the Group's remaining commitments to investments. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Group's source of operating cash inflows for the financial year are account keeping and joining/activation fees, margin revenue, mastercard interchange revenue and interest income. The Group has incurred net operating cash outflows for the year ended 30 June 2023 of £1,724,690 (2022: outflow of £2,067,839). At 30 June 2023, the Group had cash and gold held as tally of £701,480 (2022: £312,983), and net current assets (current assets, including cash, less current liabilities) of £5,695,283 (2022: net current assets of £3,914,734).

Tally Central Ltd raised £2,000,000 in convertible loan notes in the first half of calendar year 2023. These convertible loan notes are due for repayment within twelve months from the signing of this report. Since the year end, the Company raised a further £2,500,000 in convertible loan notes as part of a larger round and those capital raising activities are continuing. The Company has finalised the sale of its non-core non-current assets, being equity interests in gold exploration companies in India and Finland, for shares in a listed entity that can be marked-to-market as current assets and accessed from April 2024 to support working capital requirements if needed. The Company then plans to IPO as a self-funded fintech with a platform technology with global application. Although

1. Accounting policies (Cont'd)

1.3 Going concern (Cont'd)

there can be no guarantee that the Company will be able to raise sufficient capital pre-IPO, the Company has historically generated sufficient working capital periodically through equity capital raises and/or selling assets held for sale, to fund ongoing operations. The auditors have included a material uncertainty on going concern paragraph to draw attention to this reliance on further funding or divestment of assets.

The directors are confident that sufficient capital will be available as required for at least the next 12 months from new equity investment and asset sales.

1.4 Basis of consolidation

Subsidiaries
Subsidiaries are entities controlled by the Group. Control exists when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing its power over the investee, the Group takes into consideration its rights through shareholding or other arrangements to direct the activities which significantly affect the investee's returns. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Goodwill represents the excess of the consideration transferred, less the amount of any non-controlling interest in the acquiree over the fair value of the identifiable net assets acquired. All goodwill in relation to historic acquisitions has been written off in prior years.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. Acquisition-related costs are expensed as incurred.

1. Accounting policies (Cont'd)

1.5 Investment in associates

The cost of acquiring equity investments in entities over which the Group is considered to have significant influence is capitalised and classified as an investment in associate. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of these policies.

The investment in associates is accounted for using the equity method. Under this method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is

increased or decreased to recognise the Group's share of the profit or loss of the investee after the date of acquisition. The Group's share of the investee's profit or loss is recognised in the Group's statement of comprehensive income. The carrying amount is also adjusted for changes in the Group's proportionate interest in the investee.

After application of the equity method, including recognising the associate's losses, the Group determined whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. If any indication of impairment is noted, the impairment testing will follow the principles of *IAS 36 Impairment of Assets*. The Group determines at each reporting date whether there is any objective evidence that the investment on the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value. Any impairment loss is recognised in 'Share of loss of associate' in the statement of comprehensive income.

Dilution gains and losses arising in investments in associates are recognised in the statement of comprehensive income. All investments in associates were reclassified as held for sale or disposed of prior to the year ended 30 June 2023.

1.6 Impairment of non-financial assets

At each reporting date, the Directors review the carrying amounts of the Group's tangible and intangible assets to determine whether there is any indication that those assets have suffered an Impairment loss. Other Assets are reviewed for impairment annually and if any indication of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group 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.

lf 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. If the recoverable amount of a cash-generating unit is less than its carrying amount/ the impairment loss is allocated first to reduce the carrying amount of assets of the unit pro rata based on the carrying amount of each asset in the unit.

An impairment loss is recognised as an expense immediately. 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 periods. A reversal of an impairment loss is recognised in the Income Statement immediately.

1. Accounting policies (Cont'd)

1.7 Intangible assets

Internally generated software
Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and third-party development expenditure. Capitalised development costs are recorded as intangible assets and to date have been amortised on a straight-line basis from the point at which the asset is ready for use. The original platform was put in to use in June 2019 and has been amortised from this date over a 5 year period. The new platform (TECO) was put into use from May 2023 and is amortised from this date over a rolling 3 year period to allow for the fact that TECO will be continuously developed with new functionality and product enhancements.

Trademarks and licences
Trademarks and licences are included in Intangible assets and initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised using the straight -line method over 10 years which is the shorter of their estimated useful lives and period of contractual rights.

1.8 Tangible assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs. The Company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its estimated useful life, as follows:

Computer Equipment	3 years
Furniture and Fittings	10 years

It is anticipated that the assets will have no residual value at the end of their useful lives.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit on disposal of tangible fixed assets in the statement of comprehensive income.

1.9 Classification of financial instruments issued by the Group

In accordance with IAS 32, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

1. Accounting policies (Cont'd)

1.9 Classification of financial instruments issued by the Group (Cont'd)

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

1.10 Non-derivative financial instruments

Non-derivative financial instruments comprise investments, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other payables
Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Term deposits
Term deposits comprise bank deposits with maturity dates of between 3 and 12 months from the consolidated statement of financial position date.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand that form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

Convertible loan notes
Convertible loan notes contain both debt and equity components and are recognised as a compound financial instrument. The convertible loan notes have been accounted for at the fair value of the debt component, as a liability. The fair value of the liability portion of a convertible bond is determined using a market rate of interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects. No equity adjustment has been accounted for as the amount is deemed immaterial.

1.11 Foreign currency

Foreign currency transactions
Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

1. Accounting policies (Cont'd)

1.11 Foreign currency (Cont'd)

Foreign operations
The assets and liabilities of foreign operations are translated to the Group's presentation currency, at foreign exchange rates ruling at the consolidated statement of financial position date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from the translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve. When a foreign operation is disposed of, such that control is lost, the entire accumulated amount in the translation reserve is recycled to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve.

1.12 Financial assets at fair value through profit or loss

Classification
Equity investments and the Group's gold holdings are classified as 'financial assets at fair value through profit or loss.' These financial assets are designated by the Board of Directors at fair value through profit or loss at inception.

Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Company's investment strategy. The Company's policy is for the Board of Directors to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Recognition
Purchases and sales of investments are recognised on the trade date, the date on which the Company commits to purchase or sell the investment.

Derecognition of financial assets
A financial asset (in whole or in part) is derecognised either (i) when the Company has transferred substantially all the risks and rewards of ownership; or (ii) when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or (iii) when the contractual right to receive cash flow has expired. Any gain or loss on derecognition is taken to the Statement of Comprehensive Income as appropriate.

Measurement
Financial assets at fair value are initially recognised at fair value. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets at fair value' category are presented in the Statement of Comprehensive Income in the period in which they arise.

Fair value estimation
The fair value of financial assets traded in active markets is based on quoted market prices at the Statement of Financial Position date. The quoted market price used for the financial assets held by the Company, being gold, is the spot price at the close of the respective market at the Statement of Financial Position date. Warrants are carried at fair value using standard Black Scholes valuation models. Further details are disclosed in Note 9 Unlisted investments are carried at such fair value as the Directors consider appropriate given the performance of each investee company and after considering the financial position of the entity, latest news and developments.

1. Accounting policies (Cont'd)

1.12 Financial assets at fair value through profit or loss (Cont'd)

Fair value measurement hierarchy
IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into one of the three levels. For financial instruments that are recognised at fair value on a recurring basis, the Board determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.13 Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash generated units are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

1. Accounting policies (Cont'd)

1.13 Impairment of financial assets (Cont'd)

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.14 Assets held for sale

The Group shows assets or cash generating units as held for sale when the following criteria are met:

- Management is committed to a plan to sell;
- The asset is available for immediate sale;
- An active programme to locate a buyer is initiated;
- The sale is highly probably and expected within 12 months; and
- The asset is being actively marketed.

When classified as held for sale, the asset is transferred to current assets and valued at the lower of it's carrying amount and fair value less costs to sell. Any fair value movements go through profit or loss. Further details are included in Note 8.

1.15 Share based payment arrangements

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group.

Share-based transactions, other than those with employees, are measured at the value of goods or services received where this can be reliably measured. Where the services received are not identifiable, their fair value is determined by reference to the grant date fair value of the equity instruments provided. Should it not be possible to measure reliably the fair value of identifiable goods and services received, their fair value shall be determined by reference to the fair value of the equity instruments provided measured over the period of time that the goods and services are received.

The expense is recognised in profit or loss (or capitalised as part of an asset) when the goods are received or as services are provided, with a corresponding increase in equity.

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no "true-up" for differences between expected and actual outcomes.

1 Accounting policies (Cont'd)

1.15 Share based payments arrangements (Cont'd)

Share-based payment transactions in which the Group receives goods or services by incurring a liability to transfer cash or other assets that is based on the price of the Group's equity instruments are accounted for as cash-settled share-based payments. The fair value of the amount payable to recipients is recognised as an expense, with a corresponding increase in liabilities, over the period in which the recipients become unconditionally entitled to payment. The liability is re-measured at each consolidated statement of financial position date and at settlement date. Any changes in the fair value of the liability are recognised in profit or loss.

1.16 Revenue

Revenue comprises the invoiced value of goods and services supplied by the Group, net of Value Added Tax and trade discounts. Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods and services supplied, stated net of discounts, returns and Value-Added Taxes.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and specific criteria have been met for each of the Group's activities, as described below.

Revenue represents account keeping and one-off account activation fees earned through the TallyMoney platform, as well as margin revenue and Mastercard interchange revenue. All fees are recognised in the accounting period in which the service is provided. Margin revenue is when the Company retains the FX spread through customer deposits coming in that are offset by customer payments going out and is capped at 0.5% (being equal or less than the FX margin Tally incurs on the global gold wholesale market for 1kg bullion bars) of the fiat value they are depositing when buying tally. This revenue is deemed to be recognisable in line with IFRS 15 as a transaction price is applied in exchange for transferring goods and a service (the nature of the business is Money as a Service) through the deposit of fiat currency via the Company's smartphone app and technology platform, the Tally customer's deposits automatically convert to asset-based money in units of tally®, being one milligram of gold each, up to one-hundredth of a tally, in a monetary system designed to protect and benefit the customer as a depositor and saver. The transaction price is attributed to each individual deposit (performance obligation) and the revenue recognised monthly.

1.17 Expenses

Financing income and expenses

Financing expenses comprise interest payable and finance charges recognised in profit or loss using the effective interest method, unwinding of discounts on provisions, and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy note 1.10). Financing income comprises interest receivable on loans and funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

1.18 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the consolidated statement of financial position date, and any adjustment to tax in respect of previous years.

1. Accounting policies (Cont'd)

1.18 Taxation (Cont'd)

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.19 Earnings per share

The Group presents basic and diluted earnings or loss per share data for its ordinary shares. Basic earnings/loss per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings/loss per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options and warrants granted.

1.20 Operating segments

Segment results that are reported to the Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire plant and equipment and intangible assets.

1.21 New IFRS adopted for the first time and standards not yet applied

New standards adopted for the first time in the year ended 30 June 2023

No standards or interpretations that came into effect for the first time for the financial year beginning 1st July 2022 have had a material impact on the group.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Standard		Effective date
Amendments to IAS 1	Presentation of financial statements	1 January 2024
Amendments to IAS 8	Accounting policies	1 January 2023
Amendment to IAS 12	Income Taxes-deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Amendment to IAS 17	Insurance Contracts	1 January 2023
Amendments to IAS 7	Statement of cashflows and IFRS 7 financial instruments	1 January 2024

1 Accounting policies (Cont'd)

1.21 New IFRS adopted for the first time and standards not yet applied (cont'd)

The Directors are continuing to assess the potential impact that the adoption of the standards listed above, will have on the consolidated financial statements for the year ended 30 June 2024 however no material impact is expected.

1.22 Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are described in the following notes:

Judgements

- Going concern (Note 1.3);
- Recoverability of assets held for sale (Note 8);
- Valuation of and classification of investments (Note 8 and Note 9);
- Carrying value and recoverability of intangible assets (Note 6); and
- Convertible loan note (Note 13)

Estimates

- Fair value measurement of options and warrants (Note 14).

1.23 Leases

In accordance with IFRS 16, at the inception of a contract, the Group assesses whether the contract is, or contains, a lease. As at the reporting date the group held 2 leases, being the leases for the 2 offices contracted by the group. The group recognizes a right-of-use asset and a corresponding liability for all leases with a term of more than 12 months.

At the commencement date, the group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, or if this rate cannot be readily determined, the group uses its incremental borrowing rate. An incremental borrowing rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset, with similar terms, security and economic environment. Lease payments included in the measurement of the lease liability comprise fixed lease payments.

The current and non-current lease liabilities are presented as separate entries in the consolidated statement of financial position. After the commencement date, the lease liability is measured by increasing the carrying amount to reflect the interest on the lease liability and by reducing the

carrying amount to reflect the lease payments made. The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease term.

The right-of-use-asset comprises the initial measurement of the corresponding lease liability and is entered as a separate line on the consolidated statement of financial position. The right-of-use asset is depreciated over the lease term and measured at cost less accumulated depreciation.
In the statement of comprehensive income, the group presents the interest expense on the lease liability (a component of finance costs) separately from the depreciation charge for the right-of-use asset. Please refer to Note 18 for full financial disclosure.

2 Risk management

Overview
The Group has exposure to the following risks:
- Credit risk;
- Liquidity risk;
- Tax risk;
- Currency risk;
- Market risk; and
- Operational and regulatory risk

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and its management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework
The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework and developing and monitoring the Group's risk management policies. Key risk areas have been identified and the Group's risk management policies and systems will be reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's bank deposits and receivables. The risk of non-collection is considered to be low.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Tax risk
The Company holds its investments in India (shares in Deccan Gold Mines Limited) through Lionsgold India Holdings Ltd, a wholly owned Mauritian subsidiary. As with all investments into India through Mauritius, this is subject to the India Mauritius Double Taxation Avoidance Agreement and withholding taxation arising thereof. Capital gains tax and surcharges will be subject to any disposal of the Company's investment in Deccan Gold Mines Limited. However, the rate of capital gains tax may be subject possible future changes in Indian tax laws and how the relevant double tax treaties are interpreted.

Currency risk
The Group is exposed to currency risk on cash and cash equivalents, receivables and payables that are denominated in the local fiat currency of each of the Group entities. In order to reduce fiat currency devaluation risk, Tally holds currency primarily in tally® in sufficient amounts to cover expected future outgoings for several months. The Group is therefore exposed to fluctuations in the gold price relative to the relevant local fiat currency. The Group does not use derivatives to hedge its foreign currency exposures.

Market risk
The Group's future potential revenues from it's MaaS (Money as a Service) operations may see demand affected by adverse changes in the market price of gold.

Operational and regulatory risk
tally® has been developed as an alternative mainstream currency that operates seamlessly with the fiat currencies used in banking. The Company has engaged a regulatory legal specialist firm to opine on the UK jurisdictional landscape and whilst the opinion confirmed that Tally Central Ltd was able to release tally® to the public in the UK, regulations can potentially change and indeed in some countries the Company may wish to take tally® into, it may not be legally possible in the short to medium term. The Group's business is at an early stage and is subject to several operational risks.

2. Risk management (Cont'd)

These risks include access and trading of physical gold, reliance on Railsbank Technology for the banking connectivity, and delays in approvals to enter new markets as desired by the Company. Operational risks in relation to exploration and mining include delays in approvals to undertake exploration or production activities, actual resources differing from estimates, operational delays and the availability of equipment, personnel and infrastructure.

Capital management
The Group has outstanding convertible loan notes of £2m as at the year end and entered in to further facilities subsequent to that date. In the view of the Directors, the Company is able to meet its working capital requirements for the next 12 months. See Note 1.3 as to the capital available to the Group to satisfy this assertion. The Group manages its capital through the preparation of detailed forecasts and tracks actual receipts and outlays against the forecasts on a regular basis, to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders. The capital structure of the Group consists of cash and cash equivalents and equity comprising, capital, reserves and accumulated losses.

3. Operating segments

During the reporting period, the Group continued the development of its proprietary ledger architecture and platform technology "Teco" (an abbreviation of Tally EcoSystem) and development and phasing in of features commenced during the financial year ended 30 June 2023.

In addition to its core business, during the financial year the Company sold its interests in Geomysore Services India Pvt Ltd and agreed to sell its share in Kalevala Gold Oy post year end, thus completing the Company's strategy of divesting these unlisted shareholdings.

For the financial year under review Tally Central Ltd had two reportable segments, being the development of the tally® currency and full-reserve monetary system and investment holdings in gold exploration activities in Eastern Finland.

3. Operating segments (Cont'd)

	Gold exploration and production		TallyMoney Ltd		Corporate		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£	£	£
Income	-	-	253,661	125,203	-	-	253,661	125,203
Depreciation and amortisation	-	-	(703,961)	(568,082)	(150,517)	(1,558)	(854,478)	(569,640)
Gain / (loss) on investments	-	-	(33,974)	101,209	1,854,579	(930,089)	1,820,605)	(828,880)
Share of loss of associate	-	(13,826)	-	-	-	-	-	(13,826)
Other reportable segment expenses	(5,430)	(6,430)	(6,408,758)	(1,820,232)	3,613,383	(438,522)	(2,800,305)	(2,265,184)
Segment result before tax	(5,430)	(20,256)	(6,893,032)	(2,161,902)	5,317,945	(1,370,169)	(1,580,517)	(3,552,327)
Tax	-	-	130,253	154,459	(485,880)	-	(355,627)	154,459
Segment result after tax	(5,430)	(20,256)	(6,762,779)	(2,007,443)	4,832,065	(1,370,169)	(1,936,144)	(3,397,868)
Reportable segment assets	841,399	3,896,222	1,193,282	1,521,111	9,292,522	4,615,506	11,327,203	10,032,839
Assets held for sale	594,251	3,892,835	-	-	-	-	594,251	3,892,835
Reportable segment liabilities	(627)	(889)	(408,610)	(345,831)	(3,284,468)	(995,099)	(3,693,706))	(1,341,819)

4. Expenses and auditor's remuneration

	2023	2022
Included in profit for the year are the following:	£	£
Finance costs	(64,227)	(30,463)
Auditor's remuneration		
Audit of consolidated financial statements	60,000	21,150
Employees' expenses		
Wages and salaries	1,128,503	921,824
Employer National Insurance	128,232	112,346
Employer Pension Contributions	13,265	11,685
	1,270,000	1,045,855
Wages and salaries (inc. ENI & pension contributions) capitalised to intangible assets	309,954	421,937
Amortisation	678,937	465,116
Impairment	70,154	-
Depreciation	105,387	104,524

5. Income tax

	2023	2022
	£	£
Current tax		
Tax paid on realised gains in Lionsgold	12,104	-
Research and development tax credit relief in respect of prior periods	(186,293)	(154,459)
	(174,189)	(154,459)
Deferred tax		
Origination and reversal of temporary differences	529,816	-
Total Tax	**355,627**	**(154,459)**

Reconciliation of effective tax rate	**2023**	**2023**	**2022**	**2022**
	%	£	%	£
Profit/(loss) for the year		(1,936,144)		(3,552,327)
Total income tax for the year		355,627		(154,459)
Profit/(loss) excluding income tax		(1,580,517)		(3,397,868)
Income tax using the respective domestic rate for the Group	17.2	(272,924)	19	(674,942)
Non-deductible expenditure		399,991		737,933
Adjustment in respect of prior periods		(186,293)		(154,459)
Movement in deferred tax not recognised		465,402		(62,169)
Other differences		(50,549)		(822)
Losses offset against taxable income		-		-
Utilisation of historic tax losses		-		-
		355,627		(154,459)

Deferred tax assets are not recognised for losses carried as future taxable profits are uncertain.

A deferred tax liability totalling £506,785 has been recognised on the temporary timing difference arising on revaluation of the Group's equity investment in listed shares.

6. Intangible Assets

Non-current assets	Goodwill	Internally Generated Software	Trademarks	Total
	£	£	£	£
Balance at 1 July 2022	-	2,190,852	15,578	2,206,430
Additions – internal development	-	483,457	-	483,457
Balance at 30 June 2023	-	2,674,309	15,578	2,689,887
Amortisation				
Balance at 1 July 2022	-	898,392	4,933	903,325
Charge for the year	-	677,378	1,558	678,936
Balance at 30 June 2023	-	1,575,770	6,491	1,582,261
Impairment	-	70,154	-	70,154
Net book value at 30 June 2023	-	1,028,385	9,087	1,037,472
Balance at 1 July 2021	-	1,548,252	15,578	1,563,830
Additions – internal development	-	642,600	-	642,600
Balance at 30 June 2022	-	2,190,852	15,578	2,206,430
Amortisation				
Balance at 1 July 2021	-	434,833	3,376	438,209
Charge for the year	-	463,559	1,557	465,116
Balance at 30 June 2022	-	898,392	4,933	903,325
Net book value at 30 June 2022	-	1,292,460	10,645	1,303,105

Tally Central Ltd funded and developed its neobank and full reserve monetary platform with physical asset-based challenger currency, tally®, with some development activities conducted through its wholly-owned operating subsidiary, TallyMoney Ltd, which is a UK incorporated entity. The platform provides a monetary system and smartphone banking app that allows customers to hold an individual account with IBAN (International Bank Account Number) denominated in tally® (1 tally® = 1 milligram of physical gold), sourced and vaulted on behalf of the customer. The app delivers the utility and convenience of everyday deposits and payments, using a physical asset that belongs to the customer. Costs directly attributable to the continued development and enhancement of this platform have been capitalised under IAS 38.

6. Intangible Assets (Cont'd)

Tally Central Ltd evolved its technology development knowledge and the Chief Technology Officer has led the restructuring of the tech dev team as part of building the CEO's vision for Tally Central Ltd's platform technology as a global currency provider with its standalone monetary system and payments ecosystem. This new platform technology and ledger architecture, called "Teco", has been developed over calendar years 2021,2022 and 2023, and following staged integration, going live on 2nd May 2023.

During the course of financial year ending 30 June 2023, Tally focused on growing customer numbers whilst building out its platform technology, operations, treasury and marketing capabilities. The Tally business plan shows that Tally's B2B full-reserve monetary system and global currency offering and B2C smartphone neobanking app will generate revenue and gross profits over the next three years.

It is expected that the development resource that has been invested in the Company's predecessor tech build (known as T1) and its mobile phone banking app will continue to have value whilst developing "Teco" (the Company's new inter-ledger technology designed to be multi-tenant and multi-region). Therefore, the intangible value of this T1 platform asset should continue to be amortised over 5 years from 2019 as the development invested still has useful life. Teco went live from 2nd May 2023 and as such is being amortised on a rolling 3 year basis. Very early stage development costs relating to early T1 functionality pre 2019 was deemed fully out of use and as such a full impairment of these costs amounting to £70,154 have now recognised in the year ended June 2023 accounts.

- Teco solves limitations persistent within the T1 architecture and brings all of the platform management in-house. More importantly, Teco makes the Tally monetary system agnostic to BaaS (Banking as a Service) and payment card providers so that the Company can forge business and customer relationships in new territories, accept multiple fiat currencies and accept different card and banking provider. During the impairment review the following key assumptions were made when assessing the carrying value of the T1 and TECO related intangible assets:WACC: 9.7%
- Terminal value growth rate: 2.0%
- B2C revenues are flat in FY2024, before growing 71% in FY25 driven by increased marketing investment (+91%)
- B2B revenues commence for a full year in FY25

Sensitivity analysis has been performed by management. A reasonably possible sensitivity scenario was calculated of B2C growth rate being 50% lower than forecast and B2B revenues commencing 6 months later than forecast. In this sensitivity scenario the recoverable amount exceeded the carrying value of the intangible assets with significant headroom.

7. Tangible Assets

Non-current assets	Computer Equipment £	Furniture and Fittings £	Total £
Balance at 1 July 2022	23,014	19,337	42,351
Additions	12,712	-	12,712
Balance at 30 June 2023	35,726	19,337	55,063
Depreciation			
Balance at 1 July 2022	13,760	3,554	17,314
Charge for the year	7,732	1,933	9,665
Balance at 30 June 2023	21,492	5487	26,979
Net book value at 30 June 2023	14,234	13,849	28,083

Non-current assets	Computer Equipment £	Furniture and Fittings £	Total £
Balance at 1 July 2021	20,839	8,309	29,148
Additions	2,175	11,028	13,203
Balance at 30 June 2022	23,014	19,337	42,351
Depreciation			
Balance at 1 July 2021	6,707	1,804	8,511
Charge for the year	7,053	1,750	8,803
Balance at 30 June 2022	13,760	3,554	17,314
Net book value at 30 June 2022	9,254	15,783	25,037

The Group estimates the useful life of the computer equipment to be 3 years and furniture and fittings to be 10 years with no residual value.

8. Investments

Non-current assets: Investments at fair value through profit and loss

Railsbank Technology Limited:
On 9th March 2023, administrators were appointed to Railsbank Technology Limited ("Railsbank") and on the same date its business and assets were sold in a 'pre-pack' arrangement to Embedded Finance Limited. All shareholders in Railsbank, including Tally Central with its remaining 1.2% holding as at 30 June 2022, lost their investment, receiving no consideration. Accordingly, the Company has written off the carrying value of its investment (2022: £2,107,440) through the profit and loss account in the year.

In the prior year the investment was categorised as level 3 under the fair value hierarchy:

	Fair Value Level 1 £	Fair Value Level 2 £	Fair Value Level 3 £	Fair Value Total £
As at 1 July 2022	-	-	2,107,440	2,107,440
Losses recognised in profit or loss	-	-	(2,107,440)	(2,107,440)
Fair value at 30 June 2023	-	-	-	-

	Fair Value Level 1 £	Fair Value Level 2 £	Fair Value Level 3 £	Fair Value Total £
As at 1 July 2021	-	-	5,770,181	5,770,181
Disposals in the year			(2,746,189)	(2,746,189)
Losses recognised in profit or loss	-	-	(916,552)	(916,552)
Fair value at 30 June 2022	-	-	2,107,440	2,107,440

Current assets: Investments held for sale

The carrying values of the investments held for sale during the year are determined as follows:

	Geomysore £	Kalevala £	Fair Value Total £
As at 1 July 2022	3,298,584	594,251	3,892,835
Additions in the year	-	-	-
Disposals in the year	(2,189,338)	-	(2,189,338)
Loan written off relating to Geomysore	(1,109,246)	-	(1,109,246)
Fair value at 30 June 2023	-	594,251	594,251

	Geomysore £	Kalevala £	Fair Value Total £
As at 1 July 2021	3,297,415	594,251	3,891,666
Additions in the year	14,995	-	14,995
Share of loss in associate	(13,826)		(13,826)
Fair value at 30 June 2022	3,298,584	594,251	3,892,835

8. Investments (Cont'd)

Geomysore Services India Private Limited ("Geomysore"):
In the last quarter of calendar year 2022, Tally Central Ltd's subsidiary, Lionsgold India Holdings Limited ("Lionsgold"), agreed to the sale its entire holding of 260,648 shares (a 19.17% equity interest in Geomysore) to Bombay Stock Exchange-listed Deccan Gold Mines Ltd ("Deccan") for a total consideration of INR 418,623,993 paid for by way of share issue of 12,666,388 new shares in Deccan, representing a 9.9% equity interest at the time. The total consideration received was £5,641,859 leading to a gain on disposal of £3,452,521 before deducting the write off of the intercompany loan of £1,109,246, giving a net gain of £2,343,275.

The shareholders of Deccan approved the transaction, which was subsequently permitted by the Indian market regulator and the transaction completed mid-April 2023 with the issuance of the Deccan shares to Lionsgold.

Kalevala Gold Oy:
As at the balance sheet date, Tally Central Ltd held a 31.52% (30 June 2022: 31.52%) equity interest in a Finnish operating company, Kalevala Gold Oy ("Kalevala"). Kalevala was established to develop various exploration licences in a joint venture with Mineral Exploration Network (Finland) Limited ("MENF").

As at balance sheet date Tally Central was negotiating the sale of its Kalevala shares for new ordinary shares in Deccan. Subsequent to the year-end, in September 2023, the transaction completed with the Company receiving 1,151,181 new shares in Deccan in exchange for its interest in Kalevala representing a consideration of INR 61,553,648 (approximate equivalent of £594,000).

In line with IFRS 5, the investment is held at the recoverable amount less costs to sell.

The total loss on investments recognised through the profit and loss during the year is:

	£
Loss on Investment - Railsbank	(2,107,440)
Loan written off relating to Geomysore	(1,109,246)
Total losses recognised in the profit & loss	(3,216,686)

9. Financial Assets at fair value through profit and loss

Details of the significant accounting policies and methods adopted by the Group including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of its financial assets and liabilities are disclosed in note 1. The following table analyses the fair value of the Group's financial assets by category as defined in IFRS 13.

The Level 1 financial assets are made up of holdings in physical gold as well as the investment in the Deccan Gold Mines. The fair value at the year-end is the quoted market value.

Deccan Gold Mines Limited ("Deccan"):
Tally Central completed the sale of its 19.17% shareholding in Geomysore for 12,666,388 new shares in Deccan issued in mid-April 2023, and became a 9.9% equity owner of Deccan at that time. The share price of Deccan at the time of the transaction was 44.15INR, the share price of the deal was agreed at 33.05 INR and therefore an immediate gain on investment was recognised of £1,418,388.

Post balance sheet date, Tally Central received 1,151,181 additional shares in Deccan for the sale of its interest in Kalevala Gold Oy, and a further 154,516 as part of a placing Deccan conducted, in which Tally Central subscribed for the equivalent of US$100,000 worth of shares.

9. Financial Assets at fair value through profit and loss (Cont'd)

As at the date of this report, Tally Central owns 13,972,085 Deccan shares, representing 9.4% ownership of Deccan.

	Fair Value Level 1 £	Fair Value Level 2 £	Fair Value Level 3 £	Fair Value Total £
As at 1 July 2022	-	-	-	-
Additions	5,641,859	-	-	5,641,859
Gains recognised in profit or loss	1,618,832	-	-	1,618,832
Fair value at 30 June 2023	7,260,691	-	-	7,260,691

Physical Gold:

The Company has developed an independent, full-reserve monetary system based on a centralised ledger and is the issuing organisation of its digital currency, 'tally' (not a crypto). Each unit of 'tally' represents one milligram of physical gold either held in custody for the beneficial ownership of depositor customers or owned by the Company. The Level 1 assets in the table below represent the Company's owned balance of 'tally' as at the balance sheet date.

The investment is categorised as level 1 under the fair value hierarchy:

	Fair Value Level 1 £	Fair Value Level 2 £	Fair Value Level 3 £	Fair Value Total £
As at 1 July 2022	137,183	-	-	-
Net additions	51,089	-	-	
Gains recognised in profit or loss	(34,062)	-	-	
Fair value at 30 June 2023	154,210	-	-	

	Fair Value Level 1 £	Fair Value Level 2 £	Fair Value Level 3 £	Fair Value Total £
As at 1 July 2021	52,884	-	-	-
Net additions/(disposals)	(17,108)	-	-	
Gains recognised in profit or loss	101,407	-	-	
Fair value at 30 June 2022	137,183	-	-	

10. Revenue (All U.K Revenue)

	2023	2022
	£	£
Account keeping fee	63,140	39,643
Activation fee	110,452	45,921
Legacy fiat holding fees	1,503	2,668
Margin Revenue	69,738	31,957
Mastercard interchange revenue	8,828	5,014
	253,661	125,203

11. Trade and other receivables

	2023	2022
Non-Current:	£	£
Loans receivable*	1,300,000	1,300,000
HMRC**	-	422,500
	1,300,000	1,722,500
Current:		
Trade and other receivables	237,995	499,210
Prepayments	119,370	26,146
	357,365	525,356

*Yarramen Corp Limited, a company owned by the family trust of Cameron Parry, invested £1.3m in Tally Ltd in December 2021 at 2p per share, which investment was funded by a loan from Tally, and secured by the CEO's total share and warrant holdings in the company, along with his entire holding of Railsbank shares, for the sole purpose of participating in the placing of 65 million shares and 65 million warrants. The loan is repayable by 31 October 2025 and interest is paid on the outstanding amount at 2% per annum, paid monthly.

** In the prior year a provision was made for s.455 tax on the loan made to Yarramen Corp. This has subsequently been reversed on the grounds that Tally Central is not a closed company. Given this status there is no s.455 tax due on this loan and the receivable has been written off with the corresponding payable.

12. Trade and other payables

	2023	2022
Non-Current:	£	£
Deferred Income*	475,202	475,202
Current:		
Trade payables	260,103	117,884
Corporation tax payable (Note 11)	-	422,500
Other deferred tax (Note 5)	506,785	-
Accruals and other payables	326,438	178,673
	1,093,326	719,057

*Tally entered into a business agreement with a strategic partner in June 2022 by which the partner will provide support to help increase the usage and activation of tally accounts and cards. The support invoiced prior to year end was categorised as deferred income as although received in July 2022, the support is subject to performance targets on volumes to be achieved within certain

12. Trade and other payables (Cont'd)

timeframes over 5 years and thus will be re-allocated to income when these targets have been met. The volumes set out assumed a level of transactional growth that as at the balance sheet date have not yet met.

13. Convertible Loan Notes (CLN's)

	2023	2022
Current Loan Priciple:	£	£
ATIS	1,000,000	-
Cabacra	1,000,000	-
	2,000,000	-
Interest:		
Atis	£60,000	-
Cabacra	£15,000	-
	£75,000	-

On 31st January 2023 the Group issued £1,000,000 of redeemable convertible loan notes (CLN's) and another £1,000,000 on the 29th June 2023. The terms of both loans run for a 12 month period and interest accrues at a rate of 1% per part or whole month and 1.5%, respectively. At any time prior to repayment date, the lender has the right to convert the repayment amount in part, or in full as shares credited as fully paid at a conversion price of £0.03 pence per share. The lender may exercise its conversion option any number of times that it shall determine until such time as the repayment amount Is settled in full. The CLN's are considered to be compound instruments but no equity adjustment has been made as it is deemed immaterial.

14. Share based payments and warrants

a) Options
The Company has the ability to issue options to Directors to compensate them for services rendered and incentivise them to add value to the Group's longer-term share value.

As at 30 June 2023, there were no options in existence. The options detailed below that existed at the end of the last accounting period were converted to Warrants on the 15th December 2022.

Name	Date of Grant	Ordinary Shares under option	Expiry Date	Exercise Price £
Cameron Parry	18.01.17	10,000,000	31.12.22	0.022

The number and weighted average exercise price of the options are as follows:

	Weighted average exercise price £ 2023	Number of options 2023	Weighted average exercise price £ 2022	Number of options 2022
Options issued by Tally Ltd				
Outstanding at the beginning of the year	-	10,000,000	0.0220	10,000,000
Cancelled during the year	-	(10,000,000)	-	-
	-	-	0.0220	10,000,000

14. Share based payments and warrants (Cont'd)

b) Warrants

As at 30 June 2023, the following warrants were in existence:

Date of grant	Warrants issued	Warrants exercised	Warrants expired	Warrants remaining	Expiry date	Exercise price £
08.11.2017	2,500,000	-	2,500,000	-	30.11.22	0.011
08.11.2017	2,500,000	-	2,500,000	-	30.11.22	0.022
29.11.2019	47,200,000	-	-	47,200,000	*	*
24.08.2020	12,100,000	-	-	12,100,000	**	**
24.08.2020	3,800,000	-	3,800,000	-	30.11.22	0.015
04.12.2020	4,765,000	-	-	4,765,000	**	**
04.12.2020	1,000,000	-	1,000,000	-	30.11.22	0.015
04.12.2020	1,450,000	-	1,450,000	-	30.11.22	0.02
30.06.2021	21,041,611	-	-	21,041,611	**	**
30.07.2021	3,275,000	-	-	3,275,000	**	**
31.12.2021	71,000,000	-	-	71,000,000	**	**
15.12.2022	11,566,667	-	-	11,566,667	**	**
15.12.2022	1,141,667	-	-	1,141,667	**	**
15.12.2022	10,000,000	-	-	10,000,000	**	**
15.12.2022	2,500,000	-		2,500,000	**	**
15.12.2022	2,500,000	-		2,500,000	**	**
15.12.2022	3,800,000	-		3,800,000	**	**
15.12.2022	1,000,000	-		1,000,000	**	**
15.12.2022	1,450,000	-		1,450,000	**	**
23.05.2023	250,000	-	-	250,000	**	**
23.05.2023	1,000,000	-	-	1,000,000	**	**
23.05.2023	500,000	-	-	500,000	**	**
23.05.2023	50,000	-	-	50,000	**	**
29.06.2023	250,000	-	-	250,000	**	**
	206,639,945	-	11,250,000	195,389,945		

The warrants issued in 2017 were attached to the appointment of Director Alan Davies, as a global strategy consultant and shares issued to this individual. The fair value of these warrants is considered to be £nil as the amount paid for the share and warrant bundle is equivalent to the fair value of the shares during the financial year. Alan Davies was considered a good leaver and his warrants remain exercisable.

Of the warrants granted on 29.11.2019, Director Cameron Parry subscribed for 3,333,333 and Director Michael Joseph subscribed for 5,000,000. Of the warrants granted 04.12.2020, Director Cameron Parry subscribed for 1,500,000. Of the warrants granted 30.07.2021, Director Cameron Parry subscribed for 250,000. Of the warrants granted 31.12.2021, Director Cameron Parry subscribed for 65,000,000 and Director Arun Ranganathan subscribed for 6,000,000.

On the 30.11.2022 11,250,000 warrants expired, they were then subsequently re-issued to the same recipients on the 15.22.2022.

* the exercise price of the warrants issued on 29 November 2019 is 150% of the Company's Initial Public Offering ("IPO") price with a term of 2 years from IPO. As the IPO date and price is uncertain, these are not included in the below analysis.

14. Share based payments and warrants (Cont'd)

** the exercise price of the warrants issued on 24th August and 4th December 2020 and on 30th June, 30th July and 31st December 2021 and 15th December 2022,May 2023 and June 2023 is 200% of the Company's Initial Public Offering ("IPO") price with a term of 3 years from IPO. As the IPO date and price is uncertain, these are not included in the below analysis. These terms also apply to the 11,250,000 of warrants re-issued in the year.

The number and weighted average exercise price of warrants are as follows:

Warrants in issue	Weighted average exercise price 2023 £	Number of warrants 2023	Weighted average exercise price 2022 £	Number of warrants 2022
Outstanding at 1 July	0.01634*	170,631,611	0.01634*	96,356,611
Issued during the year	**	36,008,334	**	74,275,000
Expired during the year	-	11,250,000	-	-
Exercised during the year	-	-	-	-
	0.01634	195,389,945	0.01634	170,631,611

*the warrants issued on 29 November 2019 have an exercise price of 150% of the Company's Initial Public Offering ("IPO") price and will expire two years from the date of the IPO exercise. As the exercise price and the expiry date of these warrants will be determined by the eventual pricing and timing of the future IPO of the company, they have been excluded from calculation of the weighted average exercise price and weighted average remaining contractual life of the total warrants outstanding

*the warrants issued on 24th August and 4th December 2020 and on 30th June, 30th July, 31st December 2021, 15th December 2022 and 23rd May 2023 have an exercise price of 200% of the Company's Initial Public Offering ("IPO") price and will expire three years from the date of the IPO exercise. As the exercise price and the expiry date of these warrants will be determined by the eventual pricing and timing of the future IPO of the company, they have been excluded from calculation of the weighted average exercise price and weighted average remaining contractual life of the total warrants outstanding.

The terms of the £2,000,000 in CLN's issued in the year state that should these convert to shares then 1 warrants will be issued for every 2 shares, this would, if converted, amount to additional 33,333,333 warrants.

The fair value of the warrants issued for services in the year were determined by the Black-Scholes model. Expected volatility is estimated by comparison to junior AIM listed technology companies. The inputs used in the measurement of the fair values of the warrants issued during the year were as follows:

	23 May 2023	15 December 2022
Grant date fair value	0.47	**0.47**
Grant date share price	3.0p	3.0p
Exercise price	6.0p	6.0p
Expected volatility	50%	50%
Option life	3 years from IPO	3 years from IPO
Dividend yield	0%	0%
Risk-free interest rate	4.73%	4.73%

14. Share based payments and warrants (Cont'd)

	2023
Total expense recognised from share based payment transactions	106,534
	106,534

15. Capital and reserves

a) Movement in issued and fully paid share capital:	**Ordinary Shares no par value**
In issue at 1 July 2022	736,993,979
Issued	26,633,334
In issue at 30 June 2023	763,627,313

All shares issued by the Company are 'ordinary' shares and rank equally in all respects, including for dividends, shareholder attendance and voter rights at meetings, on a return of capital and in a winding-up.

During the financial year to 30 June 2023 Tally Ltd completed a funding round raising £799,000 through the issue of 26,633,334 new ordinary shares at 3p a share.

As a result of the above events, the total shares in issue as at 30 June 2023 was 763,627,313 (30 June 2022: 736,993,979).

In accordance with the provision of the Disclosure Guidance and Transparency Rules of the FCA, the issued ordinary share capital of Tally Ltd including the issue of the new ordinary shares is 763,627,313 Ordinary Shares with voting rights attached (one vote per share). There are no shares held in treasury*)*

b) Reserves

Share premium
Share premium comprises the excess of consideration received over the par value of the shares issued, the nominal value of share capital at the date of re-designation at no par value, plus costs of issue of the shares in the form of invoices and warrants.

	Share premium £
As at 30 June 2022	32,074,279
Pre-IPO funding rounds	799,000
Cost of issue	(40,200)
As at 30 June 2023	32,833,079

15. Capital and reserves (Cont'd)

	Share based payment reserve	Shares to be issued	Foreign exchange translation reserve
	£	£	£
As at 1 July 2022	68,295	-	21,901
Foreign currency on retranslation of subsidiary	-	-	(11,973)
Issue of warrants/ shares	106,534	25,260	-
Expiry of warrants/ options	(44,873)	-	-
As at 30 June 2023	129,956	25,260	9,928

Share based payment reserve
The share-based payment reserve comprises the fair value of warrants and options granted, less the fair value of lapsed and expired warrants and options.

Foreign exchange translation reserve
The foreign exchange translation reserve contains all foreign currency differences arising from the translation of the financial statements of foreign operations. Changes arising from monetary items that are considered to be part of the net investment are also included in the foreign exchange translation reserve.

Reserves in the Consolidated Statement of Financial Position comprise the share-based payment reserve, shares to be issued reserve and the foreign exchange translation reserve.

Shares to be issued
The shares to be issued reserve relates to £15,000 of pre-IPO funding received just before year end and awaiting share issue combined with as £10,260 in shared based payments to a contractor hired by the Group.

16. Earnings per share

The calculation of basic earnings per share at 30 June 2023 was based on the loss of (£1,829,610) (2022 loss: (£3,397,868)), and a weighted average number of ordinary shares outstanding of 750,104,664 (2022: 703,511,667), calculated as follows:

	2023	2022
	£	£
Profit/(loss) attributable to ordinary shareholders	**(1,936,144)**	**(3,397,868)**

Weighted average number of ordinary shares	**Number ‘000**	**Number ‘000**
Issued ordinary shares at 1 July	736,994	668,064
Effect of shares issued during the year	13,111	35,448
Weighted average number of shares at 30 June	750,105	703,512

	2023 pence per share	*2022 pence per share*
Basic earnings/ (loss) per share	(0.258)	(0.48)
Diluted earnings per share	(0.258)	(0.48)

As a loss has been recorded for the year, additional equity instruments are anti-dilutive and as a result, diluted EPS has not been calculated.

17. Financial Instruments and Risk Management

(a) Fair values of financial instruments

The fair values of all financial assets and financial liabilities are equal to their carrying amounts shown in the consolidated statement of financial position.

Trade and other receivables
The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date if the effect is material.

Trade and other payables
The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date if the effect is material.

Cash and cash equivalents
The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date*)*

(b) Credit risk

Financial risk management
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables and cash and cash equivalents. The carrying amount of cash, cash equivalents and term deposits represents the maximum credit exposure on those assets. The cash and cash equivalents are held with bank and financial institution counterparties which are rated at least A for UK banks, and BBB for Indian banks, based on rating agency Standard and Poor's ratings.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the reporting date was £1,058,845 being the total of the carrying amount of financial assets, shown in the consolidated statement of financial position.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

Financial liabilities	**Carrying amount** £	**Contractual cash flows** £	**6 months or less** £	**6-12 months** £	**1 -5 years** £
30 June 2023					
Trade and other payables	3,643,528	3,643,528	2,153,326	1,015,000	475,202
Lease liabilities	50,178	50,178	50,178	-	-
Total	3,693,706	3,693,706	2,203,504	1,015,000	475,202
30 June 2022					
Trade and other payables	1,194,259	1,194,259	296,557	422,500	475,202
Lease liabilities	147,560	152,312	48,197	49,186	50,177

17. Financial instruments (Cont'd)

(*d*) *Currency risk*

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount of monetary financial instruments which are held in a currency that differs from that entity's functional currency, except derivatives when it is based on notional amounts.

	2023	**2022**
	£	**£**
Cash and cash equivalents - INR	264	233
Cash and cash equivalents - US$	112,031	765
Cash and cash equivalents - GBP£	434,975	174,802
	547,270	175,800
Trade and other payables - INR	(627)	(889)
Trade and other payables - US$	(3,614)	(4,340)
	(4,241)	(5,229)

The following significant exchange rates applied during the year:

	Average rate 2023	**Reporting date spot rate 2023**	**Average rate 2022**	**Reporting date spot rate 2022**
GBP:INR	98.688911	104.287155	99.787857	96.100660
GBP:US$	1.208224	1.270841	1.323816	1.216007

Sensitivity analysis
A strengthening of the GBP, as indicated below, against the Indian Rupee and United States Dollar at 30 June 2023 would have decreased equity by the amount shown below. This analysis is on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Equity	**Profit or loss**
	£	**£**
30 June 2023		
INR (10 percent strengthening)	(25)	-
US$ (10 percent strengthening)	(4,907)	-
30 June 2022		
INR (10 percent strengthening)	(59)	-
US$ (10 percent strengthening)	(325)	-

A weakening of the GBP against Indian Rupee and United States Dollar at 30 June would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

17. Financial instruments (Cont'd)

(e) Interest rate risk

Profile
At the reporting date the interest rate profile of interest-bearing financial instruments was:

	Carrying amount	
	2023	**2022**
	£	**£**
Variable rate instruments		
Cash and cash equivalents	547,270	175,800
	547,270	175,800

Cash flow sensitivity analysis for variable rate instruments
The Group's interest-bearing assets at the reporting date were invested with financial institutions with a minimum rating (S&P long term rating) of A for UK banks, and BBB for Indian banks.

18. Leases

The Group holds two leases (2022: one) that it accounts for under IFRS16, being its leased offices. The original office lease was extended on 1 July 2021 for an additional year to 31 December 2023, and a new lease for a second adjacent office was entered into simultaneously. To determine the split between principal and interest in the lease the Company applied an estimate of the interest it would have to pay in order to finance payments under the lease. The Company used an incremental borrowing rate of 4.10% (2022: 4.10%) to make this estimation.

Lease liabilities are included in trade and other payables as shown in Note 12.

The leases include a break period after 18 months (from July 2021). The Company is reasonably certain that the break clause will not be initiated and as such have calculated the right-of-use asset over the full 2.5 year term.

	2023
	£
For the year	
Cash outflow	
Capital	97,382
Interest	4,159
	101,541
Depreciation charge	95,722
Interest charge	4,159
As at 30 June 2023	
Right of use asset	
At 1 July 2022	143,583
Depreciation	95,722
At 30 June 2023	
	47,861
Lease liability	
Less than 12 months	50,178
Greater than 12 months	-
Total	50,178
Actual lease liability - current	50,178
Actual lease liability - non- current	-

18. Leases (Cont'd)

	2022
	£
For the year	
Cash outflow	
Capital	93,671
Interest	7,120
	100,791
Depreciation charge	95,721
Interest charge	7,120
As at 30 June 2022	
Right of use asset	
At 1 July 2021	239,304
Depreciation	95,721
At 30 June 2022	143,583
Lease liability	
Less than 12 months	97,383
Greater than 12 months	50,177
Total	147,560
Actual lease liability - current	101,541
Actual lease liability – non- current	50,771

19. Group entities

	Country of incorporation	Ownership interest 2023	Ownership interest 2022
Lionsgold India Holdings Ltd	Mauritius	100%	100%
Kolar Gold Resources (India) Private Limited	India	100%	100%
TallyMoney Ltd	United Kingdom	100%	100%

20. Related parties

Key management personnel
As at the 30 June 2023 year end, there were no key management personnel employed by the Group who was not a Director (2022: Nil).

	2023 £	2022 £
Key management remuneration		
Cash-based payments	339,365	342,182
	339,365	342,182

Directors' remuneration and interests

Please refer to Director's Report on page 7.

Transactions with other related parties

First Equity Limited is an FCA-licensed London Stockbroking firm, established 1987, FCA Ref. No. 124394. Tally Ltd CEO and Founder, Cameron Parry, owns more than 25% and less than 50% of First Equity Limited and he is Joint-CEO and an FCA approved person with the firm, FCA Ref. No. CJP01234. During the year First Equity Limited was engaged to assist with the capital raises Tally Ltd conducted during the financial year and was paid £40,200 for those capital raising services and a further 1,191,667 warrants were issued for their services. First Equity holds a total of 10,150,000 warrants. No amounts are outstanding as due to First Equity.

Geomysore is a related party, as the group held a 19.17% equity share. During the reporting period, Tally Central agreed to sell its entire holding of 260,648 shares (a 19.17% equity interest) in Geomysore to Bombay Stock Exchange listed Deccan Gold Mines Ltd ("Deccan") for a total consideration of INR 418,623,993 in exchange for 12,666,388 new shares in Deccan, representing a 9.9% equity interest at the time. As at the balance sheet date Tally Central no longer holds any equity share in Geomysore.

Kalevala is a related party by way of it being an associate of the Group. During the year, the Company provided £22,228 (2022: £0) to Kalevala by means of an intercompany loan which is due to be re-paid.

Yarramen Corp Limited, a company owned by the family trust of Cameron Parry, invested £1.3m in Tally Ltd in December 2021 at 2p per share, which investment was funded by a loan from Tally, and secured by the CEO's total share and warrant holdings in the company, along with his entire holding of Railsbank shares, for the sole purpose of participating in the placing of 65 million shares and 65 million warrants. The loan is repayable by 31 October 2025 and interest is paid on the outstanding amount at 2% per annum, paid monthly.

Ultimate controlling party
The directors believe there is no ultimate controlling party.

21. Contingent liabilities

Directors fees totalling £70,000, £45,000 and £140,000 in shares calculated at the IPO price, are payable to Alan Davies, Michael Corcoran and Michael Joseph respectively, contingent upon the Company relisting on a recognised investment exchange. This amount has not been recognised in the financial statements as the certainty and timing of any listing is unknown as at the year end.

Tally entered into a business agreement with a strategic partner in June 2022 by which the partner will provide support to help increase the usage and activation of tally accounts and cards. The support invoiced prior to year end totals £477,202 and has been recorded as deferred income as it is subject to performance targets on volumes being achieved within certain timeframes over 5 years. Thus there could be a future obligation to repay part or all of the support, should these targets not be met. As at the balance sheet date the targets which are cumulative have not been met.

22. Subsequent events

In July 2023, due to a coding error released into production before testing completed, a few dozen culprits were able to attempt to spend over £800,000 on virtual debit cards beyond what they held in tally. The systems that were in place and response times meant over £300,000 in goods ordered were not delivered and those funds retained. The remaining approximate £500,000 was promptly reported to police and is being pursued through debt collection and relevant legal processes. Following this event, the Company has reinforced its protocols, processes and financial crime intelligence operations.

The Company completed the sale of its 810 shares in Kalevala Gold Oy to Deccan Gold Mines Limited, paid for by the issuance of 1,151,181 new fully paid ordinary shares in Deccan. Tally Central also invested US$100,000 equivalent in Deccan's placing held post balance date for another 154,516 Deccan shares, taking Tally Central's total holding in Deccan to 13,972,085 shares (representing 9.4% of the listed company at the date of this report).

Post year end, Tally Central has successfully raised an additional £2,500,000 in convertible loan notes, made up of £200,000, £300,000, £400,000 and £1,600,000. The post year end CLNs are subject to 18% interest over a 12 month period, with rights to convert in full or in part the loan at £0.03 per share. In addition, Tally Central agreed to extend the term of an existing £1,000,000 convertible loan note by 12 months. An additional £21,000 at 3p per share in equity was also raised, increasing the total shares on issue to 764,327,313 at the date of this report, representing a company valuation based on 3p per share of £22.9m.

Mr Alan Davies stepped down from the board at the end of July 2023 due to his other work and time commitments and the Directors thank Alan for his input at Board level over his more than two year's tenure.

No further subsequent events took place which require disclosure in these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALLY CENTRAL LIMITED

Opinion

We have audited the financial statements of Tally Central Limited for the year ended 30 June 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated 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 International Financial Reporting Standards as adopted by the European Union ("IFRS").

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRS; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law 2008.

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.

Material uncertainty related to going concern

We draw attention to Note 1.3 in the financial statements, which indicates that the Group incurred operating cash outflows of £1,742,691 (2022: outflow of £2,067,839). The Group is reliant on additional financing through the exercise of options and warrants, the issue of new ordinary shares, further loan financing and divestment of its non-core assets. Furthermore, the convertible loan notes issued in the year are repayable twelve months from the date of issue. As stated in note 1.3, these events or conditions, along with the other matters as set forth in note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. 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 (Guernsey) Law 2008

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chief Executive Officer's Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chief Executive Officer's Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 Chief Executive Officer's Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law 2008 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 Statement of Directors' Responsibilities, 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 and Group'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.

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:

- We obtained an understanding of the Group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and industry research.
- We determined the principal laws and regulations relevant to the Company and Group in this regard to be those arising from:
    - The Companies (Guernsey) Law 2008;
    - IFRS;
    - Local laws in the subsidiaries jurisdictions; and
    - General Data Protection Regulation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the Company and Group with those laws and regulations. These procedures included, but were not limited to:

  - Enquires of management
  - Review of Board minutes
  - Review of legal expenses
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the potential for management bias in relation to:
  - the going concern of the Group and the company and as noted above;
  - the assessment of the carrying value of the intangible assets; and
  - Valuation and classification of investments.

  We addressed these risks by challenging the assumptions and judgements made by management, corroborating to supporting documentation and performing sensitivity analysis, where relevant, to stress test the assumptions made.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 Section 262 of the Companies (Guernsey) Law 2008. 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.

Adam Humphreys (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

7 March 2024