

**MANGATA NETWORKS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 01 MARCH 2021 TO 31 DECEMBER 2021**  
**PAGES FOR FILING WITH THE REGISTRAR**

**MANGATA NETWORKS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 01 MARCH 2021 TO 31 DECEMBER 2021**

**Contents**

Balance Sheet .....	3
Notes to the Financial Statements .....	4

**MANGATA NETWORKS LIMITED**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	31.12.2021	28.02.2021
		\$	\$
<b>Fixed assets</b>			
Intangible assets	3	28,837	0
		<b>28,837</b>	<b>0</b>
<b>Current assets</b>			
Debtors	4	0	1
		<b>0</b>	<b>1</b>
<b>Creditors</b>			
Amounts falling due within one year	5	( 35,406)	0
		<b>(35,406)</b>	<b>1</b>
<b>Net current (liabilities)/assets</b>		<b>(6,569)</b>	<b>1</b>
<b>Total assets less current liabilities</b>		<b>(6,569)</b>	<b>1</b>
<b>Net (liabilities)/assets</b>		<b>( 6,569)</b>	<b>1</b>
<b>Capital and reserves</b>			
Called-up share capital	6	1	1
Profit and loss account		( 6,570 )	0
<b>Total shareholder's (deficit)/funds</b>		<b>( 6,569)</b>	<b>1</b>

For the financial period ending 31 December 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the financial period in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Mangata Networks Limited (registered number: 12484210) were approved and authorised for issue by the Director on 02 November 2022. They were signed on its behalf by:

Mr N Flitterman  
Director

**MANGATA NETWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 01 MARCH 2021 TO 31 DECEMBER 2021**

**1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial period and to the preceding financial period, unless otherwise stated.

**General information and basis of accounting**

Mangata Networks Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England. The address of the Company's registered office is C/O Johnston Carmichael Birchin Court, 20 Birchin Lane, London, EC3V 9DU, England, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in USD which is the functional currency of the company and rounded to the nearest \$.

**Going concern**

The company has incurred a loss for the year in accordance with its business plan as it conducts development activities. Included within creditors due within one year are amounts owed to parent company totalling \$35,406. The parent company will not seek repayments of the amounts due to them until there is sufficient cashflow to do so and will continue to support the company. The company expects to receive sufficient funding from the parent company for the period of 12 months from date of approval of the financial statements and on this basis the directors feel it is appropriate to prepare the accounts on a going concern basis.

**Group accounts exemption**

*Group accounts exemption s399*

The Company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the Company as an individual entity and not about its group.

**Reporting period length**

Reporting period length is 1st March 2021 to 31st December 2021 which is shorter than the standard 12 months.

**Foreign currency**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Profit and Loss Account in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

**Employee benefits**

*Short term benefits*

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

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

**MANGATA NETWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 01 MARCH 2021 TO 31 DECEMBER 2021**

**Taxation**

*Current tax*

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

*Deferred tax*

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Intangible assets**

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

Other intangible assets	not amortised
-------------------------	---------------

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

*Basic financial assets*

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

**MANGATA NETWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 01 MARCH 2021 TO 31 DECEMBER 2021**

*Basic financial liabilities*

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

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

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

*Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

**2. Employees**

	<b>Period from 01.03.2021 to 31.12.2021</b>	<b>Period from 26.02.2020 to 28.02.2021</b>
	<b>Number</b>	<b>Number</b>
Monthly average number of persons employed by the Company during the period, including directors	2	2

**3. Intangible assets**

	<b>Other intangible assets</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Cost</b>		
At 01 March 2021	0	0
Additions	28,837	28,837
<b>At 31 December 2021</b>	<b>28,837</b>	<b>28,837</b>
<b>Accumulated amortisation</b>		
At 01 March 2021	0	0
<b>At 31 December 2021</b>	<b>0</b>	<b>0</b>
<b>Net book value</b>		
<b>At 31 December 2021</b>	<b>28,837</b>	<b>28,837</b>
At 28 February 2021	0	0

No amortisation as the asset is not yet in use.

**MANGATA NETWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 01 MARCH 2021 TO 31 DECEMBER 2021**

**4. Debtors**

	<b>31.12.2021</b>	<b>28.02.2021</b>
	\$	\$
Amounts owed by Ultimate Parent undertakings (note 7)	0	1

**5. Creditors: amounts falling due within one year**

	<b>31.12.2021</b>	<b>28.02.2021</b>
	\$	\$
Amounts owed to Parent undertakings (note 7)	35,406	0

**6. Called-up share capital**

	<b>31.12.2021</b>	<b>28.02.2021</b>
	\$	\$
<b>Allotted, called-up and fully-paid</b>		
1 ordinary share of US \$ 1.29	1	1

**7. Related party transactions**

**Transactions with group companies**

***Amounts owed to Parent undertakings***

	<b>31.12.2021</b>	<b>28.02.2021</b>
	\$	\$
Amounts owed to Parent undertakings	35,406	0
Amounts owed by Parent undertakings	0	1
	<b>35,406</b>	<b>1</b>

**8. Ultimate controlling party**

The ultimate controlling party is Mangata Networks, Inc. The company is registered in Wilmington, Delaware.

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