

Company Registration No. 03257901

3C Payment UK Limited

Report and Financial Statements

31 December 2021



CONTENTS

	Page
DIRECTORS AND OTHER INFORMATION	1
DIRECTORS' REPORT	2 - 5
INDEPENDENT AUDITORS' REPORT	6 - 8
PROFIT AND LOSS ACCOUNT	9
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF CHANGES IN EQUITY	11
NOTES TO THE FINANCIAL STATEMENTS	12 - 24

DIRECTORS AND OTHER INFORMATION

Board of Directors

Timothy Goodwin
Stephen O'Donovan

Solicitors

Eversheds
Senator House
85 Queen Victoria Street
London
EC4V 4JL
United Kingdom

Registered Office

Regal House
8th Floor
London Road
Twickenham
TW1 3QS
United Kingdom

Bankers

Lloyds TSB Bank plc
1 Butler Place
Westminster
London
SW1H 0PT
United Kingdom

Registered number: 03257901

Auditors

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
One Bank Place
Limerick
Ireland
V94 HT2Y

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31 December 2021.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law directors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclose Framework" and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements company with Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Principal activities and business review

The principal activities of the Company continue to be credit card/charge card car parking services and integrated Transac credit card/charge card handling business.

The Company is a private limited company incorporated and domiciled in the United Kingdom, with a branch in Dubai, 3C Payment Middle East. The Dubai branch has been incorporated on 1 March 2017 and has currently no trading activities. All costs incurred at level of the Dubai branch are recharged to the head company 3C Payment Luxembourg S.A. which performs the operational activities in the Middle East region.

DIRECTORS' REPORT - continued

Results and dividends

The profit for the financial year, after taxation amounted to £1,224,579 (2020: profit of £139,893). The directors have not recommended a dividend (2020: £Nil).

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Competitive risks

As the company operates in a competitive market, this is a continuing risk to the company, which could result in the loss of sales to the company's key competitors. The Company manages this risk by providing strong core products together with the sales of terminals and processing, and by providing excellent customer service.

Political risks

The Company faces the risk of political or legislative disruption surrounding Brexit, including an additional compliance and administrative burden.

Currency and foreign currency risk

The vast majority of the Company's trade debtors and creditors are denominated in Sterling. The majority of transactions with group companies in Luxembourg are denominated in Sterling although the Company is exposed to transactions in EUR from other group companies. Thus, the Company's exposure to currency and foreign currency risk is not considered significant.

Cash flow risk

The Company's operations are fully financed from cash reserves and related party liabilities.

Exposure to price, credit and liquidity risk

The Company does not hold any financial instruments and so has little or no exposure to price risk. Credit risk for the company arises only on trade debts arising in the normal course of business. The risk is limited since billing is generally quarterly in advance, and the company has the sanction of discontinuing the service in the event of non-payment.

The Company holds sufficient cash reserves, a positive current asset position and so there is no significant liquidity risk.

DIRECTORS' REPORT - continued

Directors

The directors who served during the year and since year end were as follows and unless otherwise indicated they served as directors for the entire period:

Timothy Goodwin

Emma Kelly (resigned 9 November 2021)

Stephen O'Donovan

Julien Richard (appointed on 9 December 2021 and resigned 2 December 2022)

The directors who held office at signing are stated on page 1. None of the directors had beneficial interests in the share capital of the company during the year ended 31 December 2020 and during the year ended 31 December 2021. There are no directors' interests requiring disclosure under the Companies Act 2006.

Research and Development

The company engages in research and development activities. There were no amounts expensed during the year.

Going Concern

The Company's financial statements have been prepared on a going concern basis. The directors are conscious of the Company's continued reliance on the Group (its parent (Franklin Ireland Topco Limited) and its fellow subsidiaries) for its trading activities and funding facilities. The parent company, Franklin Ireland Topco Ltd, has provided a letter of support to the Company, indicating its intention to provide the Company with such financial support as is required to allow the company to meet his obligations as they fall due for a period of at least 12 months from the date of approval of these Financial Statements. In considering the letter of support from the parent company, the directors have made enquiries in relation to the overall Group's going concern assessment.

The directors note the significant negative impact of the Covid 19 pandemic on the global economy and on the Group. The closing of borders and grounding of flights across the world together with the uncertainties around when borders will re-open and international travel resumes has had a significant impact on the Group.

As outlined in note 2(c), the directors have considered their assessment of the appropriateness of preparing the financial statements on a going concern basis, in light of the uncertainty arising from the COVID 19 pandemic and its impact on Group and Company cashflows.

The directors note that the Group's forecasts taking account of reasonable possible changes in trading performance and the covenant waiver that has been secured for the Group bank facilities, show that the enlarged Group will be able to operate within its existing facilities and in compliance with the minimum liquidity covenant for at least 12 months from the date of approval of these Financial Statements.

Accordingly, in light of the letter of support from the parent company, the Company directors believe that it is reasonable to adopt the going concern basis in preparing its Financial Statements for the year ended 31 December 2021.

Events after the reporting period

There have been no significant events affecting the company since the year end.

Accounting records

The measures taken by the directors to ensure compliance with the company's obligations to keep adequate accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at Regal House, 8th Floor, London Road, Twickenham, TW1 3QS, United Kingdom.

Political donations

Under UK legislation a company is required to disclose all donations to UK and non-UK political party over £2,000 in value during the financial year. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the company.

DIRECTORS' REPORT - continued

Streamlined Energy and Carbon Reporting (SECR) and Section 172 of Companies Act 2006

3C Payment UK Limited is exempt from necessary reporting under Streamlined Energy and Carbon Reporting (SECR) and Section 172 of Companies Act 2006 for year ended 31 December 2021 as the company is a small company under Companies Act 2006 and do not meet the necessary thresholds.

Small Companies' Exemption

The directors have taken advantage of the small companies' exemption provided by section 414B of the Companies Act 2006 not to prepare a strategic report.

In preparing this report, the directors have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

On behalf of the board

DocuSigned by:

Timothy Goodwin

14584C0013B8402...

Timothy Goodwin

Director

Date: 03 February 2023

Registered number: 03257901



Independent auditors' report to the members of 3C Payment UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, 3C Payment UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Statement of Financial Position as at 31 December 2021;
- the Profit and Loss Account for the period then ended;
- the Statement of Changes in Equity for the period then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.



In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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.

Auditors' 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 auditors' 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the operations of 3C Payment UK Limited, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and other income and reduce expenditure, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management, in respect of the risk of fraud and any known or suspected instances of non-compliance with laws and regulation and fraud and reviewing Board Minutes;
- confirmation with those charged with governance in respect of risk of fraud and any known or suspected instances of non-compliance with laws and regulations;
- consideration of the overall control environment and the processes and controls in place in the company, including procedures to achieve compliance with relevant laws and regulations;
- testing of journal entries posted throughout the period and at period end; and
- evaluating management's judgements for appropriateness and indicators of bias based on our knowledge and understanding of the business and the requirements of the reporting framework, the evidence obtained from our detailed audit procedures and assessing events occurring up to the date of the auditor's report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

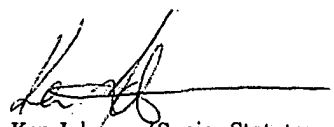
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Ken Johnson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Limerick
Ireland
3 February 2023

Profit & Loss Account
For the financial year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	4	8,282,272	6,570,293
Cost of sales		(5,282,964)	(6,203,308)
Gross Profit		<u>2,999,308</u>	<u>366,985</u>
Other income		2,725,290	1,392,837
Administrative expenses		(4,209,466)	(1,729,874)
Operating profit	5	<u>1,515,132</u>	<u>29,948</u>
Interest receivable and similar income	8	95,501	109,945
Profit on ordinary activities before taxation		<u>1,610,633</u>	<u>139,893</u>
Tax on profit on ordinary activities	9	(386,054)	0
Profit for the financial year		<u>1,224,579</u>	<u>139,893</u>
Other Comprehensive Income		-	-
Total Comprehensive profit for the financial year		<u><u>1,224,579</u></u>	<u><u>139,893</u></u>

All amounts arose from continuing operations.

The company had no other comprehensive income in either year, and therefore, no separate statement of comprehensive income has been presented.

STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Note	2021 £	2020 £
Non-current assets			
Intangible assets	10	63,803	-
Tangible assets	11	518,382	721,346
		<u>582,185</u>	<u>721,346</u>
Current assets			
Inventory	12	156,328	52,205
Debtors : amounts falling due within one year	13	4,365,427	3,880,010
Deferred tax asset	14	-	3,480
Cash at bank and in hand	15	2,457,942	2,204,041
		<u>6,979,697</u>	<u>6,139,736</u>
Current liabilities			
Creditors : amounts falling due within one year	16	(5,370,238)	(6,019,777)
Corporation tax liability		(282,509)	(72,395)
		<u>(5,652,747)</u>	<u>(6,092,172)</u>
Net current assets/liabilities		1,326,950	47,564
Total assets less current liabilities		<u>1,909,135</u>	<u>768,910</u>
Non-current liabilities			
Creditors : amounts falling due after more than one year	17	(124,132)	(282,130)
Deferred tax liability	14	(73,644)	-
Net assets		<u>1,711,359</u>	<u>486,780</u>
Capital and reserves			
Called up share capital	18	2	2
Retained earnings	18	1,711,357	486,778
Total Equity		<u>1,711,359</u>	<u>486,780</u>

The notes on pages 12 to 24 are an integral part of these financial statements.

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

The financial statements on pages 9 to 24 were approved and authorised for issue by the board of directors on 2 February 2023 and were signed on its behalf.

On behalf of the board

DocuSigned by:

Timothy Goodwin

Timothy Goodwin

Director

Date: 3 February 2023

Registered number: 03257901

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2021

	Called up share Capital	Retained Earnings	Total Equity
Notes	£	£	£
At 1 January 2020	2	346,885	346,887
Profit for the financial year	-	139,893	139,893
Other comprehensive income	-	-	-
Dividends paid	-	-	-
At 31 December 2020	<u>2</u>	<u>486,778</u>	<u>486,780</u>
Profit for the financial year	-	1,224,579	1,224,579
Other comprehensive income	-	-	-
Dividends paid	-	-	-
At 31 December 2021	<u><u>2</u></u>	<u><u>1,711,357</u></u>	<u><u>1,711,359</u></u>

Notes to the financial statements

1. General Information

3C Payment UK Limited (hereafter "The Company") is a limited liability company which is registered and incorporated in the United Kingdom. The Company's registered office is Regal House 8th Floor, London Road, Twickenham United Kingdom, TW1 3QS. The Company registration number is 03257901.

The Company are specialists in credit card/charge card car parking services and integrated Transaction credit card/charge card handling business.

These financial statements are the Company's financial statements for the year beginning 1 January 2021 and ending 31 December 2021.

2. Significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation

The entity financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 101 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 3.

(b) Disclosure exemptions in accordance with FRS 101

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 40A-D (requirements for a third statement of financial position)
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- IFRS 7 'Financial Instruments: Disclosures'.

Notes to the financial statements - continued

2. Summary of significant accounting policies - continued

(c) Going concern

The Company's financial statements have been prepared on a going concern basis. The directors are conscious of the Company's continued reliance on the Group (its parent (Franklin Ireland Topco Limited) and its fellow subsidiaries) for its trading activities and funding facilities. The parent company, Franklin Ireland Topco Ltd, has provided a letter of support to the Company, indicating its intention to provide the Company with such financial support as is required to allow the company to meet his obligations as they fall due for a period of at least 12 months from the date of approval of these Financial Statements. In considering the letter of support from the parent company, the directors have made enquiries in relation to the overall Group's going concern assessment.

The directors note the significant negative impact of the Covid 19 pandemic on the global economy and on the Group. The closing of borders and grounding of flights across the world together with the uncertainties around when borders will re-open and international travel resumes has had a significant impact on the Group.

The directors have considered their assessment of the appropriateness of preparing the financial statements on a going concern basis, in light of the uncertainty arising from the COVID 19 pandemic and its impact on Group and Company cashflows.

The directors note that the Group's forecasts taking account of reasonable possible changes in trading performance and the covenant waiver that has been secured for the Group bank facilities, show that the enlarged Group will be able to operate within its existing facilities and in compliance with the minimum liquidity covenant for at least 12 months from the date of approval of these Financial Statements.

Accordingly, in light of the letter of support from the parent company, the Company directors believe that it is reasonable to adopt the going concern basis in preparing its Financial Statements for the year ended 31 December 2021.

(d) Changes in accounting policy and disclosures

New standards, amendments and interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the Company's financial statements.

(e) Taxation

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A current tax liability is recognised where appropriate and measured on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

Notes to the financial statements - continued

2. Summary of significant accounting policies - continued

(ii) Deferred tax - continued

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the end of each financial year end and that are expected to apply to the reversal of the timing difference.

(f) Turnover

Turnover is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before turnover is recognised.

Rendering of services

Turnover represents the value of transactions and car parking commission, all of which are earned through charge and credit cards. Turnover also includes the recharge of development and marketing services to other group companies. Turnover is recognised when the services have been provided.

(g) Other Income

Other income corresponds to intercompany recharges, such as expenses and manpower.

(h) Intangible assets

Intangible assets are valued at purchase price including the expenses incidental thereto or at production cost less cumulated amortisation amounts written off and value adjustments.

Amortisation is provided by the Company to write off the cost less the estimated residual value of fixed assets by equal instalments over their estimated useful economic lives as follows:

Computer software development costs recognised as assets are amortised over their estimated useful lives of three years.

Development expenditure on an individual project is recognised as an intangible asset when the company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use, its intention to complete and its ability to use, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised evenly over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

(i) Tangible assets

Tangible assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced cost is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets residual values over their estimated useful life as follows:

Notes to the financial statements - continued

2. Summary of significant accounting policies – continued

(i) Tangible assets – continued

Fixtures and fittings	3 years
Machinery & Equipment	3 years
Terminals	3 years
Office Equipment	1 - 3 years
Software	3 years

The Company reviews the economic useful life of fixed assets on an annual basis to ensure that the carrying values do not exceed the recoverable amount, being the higher of net realisable values and values in use.

(j) Interest receivable and similar income

Interest receivable and similar income is recognised in the profit and loss account using the effective interest method.

(k) Leases

Under IFRS 16, the company recognises right of use assets in non-current assets and the corresponding lease liability in current liabilities and non-current liabilities. The Company recognises depreciation of right-of-use assets and interest on lease liabilities in the Profit and Loss Account. Leases less than one year are not accounted for under IFRS 16.

(l) Debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Debtors are recognised initially at fair value and subsequently measured as amortised cost using the effective interest method, less provision for impairment.

(m) Employee benefits

(i) Pension obligations

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations. The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

(n) Foreign currency translation

(i) Functional and presentation currency

The Company's functional and presentational currency is 'Pounds Sterling' (£).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Notes to the financial statements - continued

2. Summary of significant accounting policies – continued

(n) Foreign currency translation – continued

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit and loss account within 'Interest receivables and similar income'.

(o) Financial assets

Classifications

The Company classifies its financial assets in the following categories: at fair value through profit or loss or at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss are financial assets held for trading and derivatives. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets and liabilities in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

(ii) Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in any active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's financial assets at amortised cost comprise 'Trade and other debtors' and 'cash at bank and in hand' in the Statement of Financial Position.

Gains or losses arising from changes in the fair value of financial assets at fair value through profit or loss are presented in the profit and loss account within interest receivable or interest payable in the period in which they arise.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date - the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(p) Impairment of financial assets

(i) Assets carried at amortised cost

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Notes to the financial statements - continued

2. Summary of significant accounting policies – continued

(p) Impairment of financial assets – continued

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit and loss account. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit and loss account.

(q) Inventory

Inventory is stated at the lower cost or the net realisable value. Net realisable is the estimated selling price in the ordinary course of business, less estimated disposal costs. Value adjustments are recorded for obsolete inventories.

(r) Cash at bank and in hand

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

(s) Called up share capital

The issued share capital is the amount paid up on the shares issued, up to their nominal value.

(t) Trade and other creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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 fair value and subsequently measured at amortised cost using the effective interest method.

3. Critical accounting estimates and judgements

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Critical judgements in applying the entity's accounting policies

There are no critical judgements in applying the entity's accounting policies.

(ii) Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The following are the critical accounting estimates and assumptions within the entity.

Useful lives of depreciable assets

Notes to the financial statements - continued

3. Critical accounting estimates and judgements – continued

(ii) Critical accounting estimates and assumptions – continued

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

4. Turnover

Turnover was derived from the principal activities of the Company and arose mainly in the United Kingdom. All turnover relates to the rendering of services or to the installation of terminals.

5. Operating profit

This is stated after charging:

	2021 £	2020 £
Staff costs - Cost of sales (note 6)	1,704,375	3,747,242
Staff costs - Administrative expenses (note 6)	2,868,690	-
Auditors' remuneration: audit of the company's financial statements	107,480	179,205
Auditors' remuneration: taxation compliance services	10,505	12,610
Depreciation of owned assets (note 11)	182,328	183,072
Depreciation of assets on finance leases (note 11)	201,460	233,836
Finance leases - interest payable	16,369	24,856

6. Staff costs

The payroll costs are allocated between cost of sales and administrative expense to reflect the nature of the activity undertaken. Under the caption "costs of sales", £1,704,375 (2020: £3,747,242) are recorded as payroll costs and are related to wages and salaries. Under the caption "administrative expenses", £2,868,690 (2020: £Nil) were recorded, they are related to facilities and organizational expenses.

The staff costs included within cost of sales and administration expenses as follows:

	2021 £	2020 £
Wages and salaries	3,867,640	3,176,762
Social Security Costs	435,107	317,560
Insurances	44,576	46,111
Pension costs	225,742	206,809
	<u>4,573,065</u>	<u>3,747,242</u>

Notes to the financial statements - continued

6. Staff costs – continued

The average number of employees employed by the Company during the year was as follows:

	2021 No.	2020 No.
Executive	1	1
Sales	12	13
Delivery	23	25
Operation/IT	11	9
Business Development	1	1
Administration	1	2
Finance	1	1
	<u>50</u>	<u>52</u>

7. Director's remuneration

	2021 £	2020 £
Director emoluments	<u>-</u>	<u>93,333</u>

8. Interest receivable and similar income

	2021 £	2020 £
Bank interest	37	268
Loan interest from group undertakings	30,051	44,031
Foreign exchange gain	65,413	65,646
	<u>95,501</u>	<u>109,945</u>

9. Taxation

	2021 £	2020 £
<i>Current tax</i>		
UK corporation tax charge for the year	306,833	-
Adjustment in respect of previous period	<u>2,097</u>	<u>-</u>
Total current tax charge	<u>308,930</u>	<u>-</u>
<i>Deferred tax</i>		
Originating and reversal of timing difference	77,124	-
Adjustment in respect of previous period	-	-
Effects of changes in tax rates	<u>-</u>	<u>-</u>
Total deferred tax charge	<u>77,124</u>	<u>-</u>

Notes to the financial statements - continued

Tax charge on profit on ordinary activities

386,054	-

9. Taxation – continued

	2021 £	2020 £
Profit on ordinary activities before tax	1,610,633	139,893
Profit on ordinary activities multiplied by the standard rate of Corporation Tax in the UK of 19% (2020: 19%)	306,020	26,580
Effects of:		
Expenses not deductible for tax purposes	13,236	(44,820)
Depreciation in excess of capital allowances	64,701	11,780
Adjustment in respect of previous period	2,097	-
Losses carried forward	-	6,460
Total tax charge for the financial year	386,054	0

10. Intangible fixed assets

	2021 £	2020 £
Cost		
At 1 January 2021	506,115	506,115
Additions in the year	63,803	-
At 31 December 2021	569,918	506,115
Accumulated amortisation		
At 1 January 2021	506,115	506,115
Charge for the year	-	-
At 31 December 2021	506,115	506,115
Net book value		
At 31 December 2021	63,803	-

The intangible fixed assets are related to internally developed software.

Notes to the financial statements - continued

11. Tangible fixed assets

	Fixtures & Fitting/Install Office	Machinery & Equipment	Terminals for rent	Office Equipment	Software	Right-of-use - Office	Right-of-use - Cars	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 January 2021	121,789	215,305	413,904	273,859	462,915	655,779	222,990	2,366,541
Additions in the year	103	-	180,721	-	-	-	-	180,824
At 31 December 2021	121,893	215,305	594,625	273,859	462,915	655,779	222,990	2,547,365
Accumulated depreciation								
At 1 January 2021	92,846	199,274	273,796	231,402	443,540	229,232	175,104	1,645,195
Charge for the year	29,047	10,261	107,979	26,825	8,219	159,955	41,505	383,788
At 31 December 2021	121,893	209,535	381,774	258,227	451,759	389,187	216,609	2,028,983
Net book value								
At 31 December 2020	28,944	16,031	140,108	42,457	19,375	426,547	47,885	721,346
At 31 December 2021	0	5,770	212,851	15,632	11,156	266,592	6,381	518,382

Notes to the financial statements - continued

12. Inventory

	2021 £	2020 £
Terminals	<u>156,328</u>	<u>52,205</u>

The inventory is made-up of point of sale terminals, these are hardware systems for processing card payments. The cost of inventories recognised as an expense in the period is £Nil (2020: £Nil).

13. Debtors - amounts falling due within one year

	2021 £	2020 £
Amount owed by group undertakings	2,475,904	2,404,670
Trade debtors	1,687,511	1,213,234
Prepayments and accrued income	<u>202,012</u>	<u>262,106</u>
	<u><u>4,365,427</u></u>	<u><u>3,880,010</u></u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Loans and interest to Tribus S.A. were fully reimbursed in 2021, with last reimbursement on 11 September 2021.

14. Deferred Taxation

	2021 £	2020 £
Accelerated capital allowances	78,942	31,090
Unpaid pension liability	(5,298)	(34,570)
Trading losses carried forward	-	-
Net deferred liability/(assets)	<u>73,644</u>	<u>(3,480)</u>
Deferred tax (assets)/liabilities		
At 1 January 2020	(3,480)	(3,480)
Originating and reversal of timing differences	77,124	-
Adjustment in respect of previous periods	-	-
Effect of changes in tax rates	-	-
At 31 December 2021	<u>73,644</u>	<u>(3,480)</u>

Notes to the financial statements - continued

15. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	2,457,942	2,204,041

16. Creditors - amounts falling due within one year

	2021	2020
	£	£
Amount due to group undertakings	643,454	2,675,647
Trade creditors	1,910,491	1,184,029
Lease liability	181,512	223,604
Other taxation and social security	498,277	527,263
Accruals and deferred income	2,136,504	1,409,234
	<u>5,370,238</u>	<u>6,019,777</u>

Trade creditors are non-interest bearing and are normally settled on 30 days terms. Other creditors are non-interest bearing and have an average term of 90 days.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

17. Creditors - amounts falling due after more than one year

	2021	2020
	£	£
Lease liability	<u>124,132</u>	<u>282,130</u>

18. Called up share capital

	2021	2020
	£	£
Authorised		
100 (2020: 100) ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
2 (2020: 2) ordinary shares of £1 each	2	2

Retained Earnings

Retained earnings includes all current and prior period retained profits and losses.

Notes to the financial statements - continued

19. Events since year end

There have been no significant events affecting the company since the year end, which require disclosure in the financial statements.

20. Related parties

The company has taken advantage of the exemption conferred by FRS 101 paragraph 8(k) not to disclose the transactions with members of the group ultimate parent undertaking being Franklin Ireland Topco Limited on the grounds that 100% of the voting rights are controlled within that group.

All related parties and related party transactions are disclosed in the consolidated financial statements of Franklin Ireland Topco Limited. Copies of Franklin Ireland Topco Limited financial statements can be obtained from the Company Secretary of Franklin Ireland Topco, 10 Earlsfort Terrace, Dublin 2, Ireland, D02 T380.

21. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is 3C Payment Luxembourg S.A. a company registered and incorporated in Luxembourg.

The company's ultimate parent undertaking is AI Silk (Luxembourg) S.à.r.l a company registered and incorporated in Luxembourg, with a registered office at Rue Beck 2 -4, 1222 Luxembourg, Luxembourg.

On 21 October 2021 the ultimate parent, Eurazeo S.E., sold a substantial percentage of its stake in Planet Group to AI Silk (Luxembourg) S.à.r.l (which is controlled by Advent International). Following this transaction AI Silk (Luxembourg) S.à.r.l. and Eurazeo S.E. now co-control Planet Group.

The largest and smallest group in which the results of 3C Payment UK Limited are consolidated is that headed by Franklin Ireland Topco Limited. Copies of the Franklin Ireland Topco Limited group financial statements can be obtained from the Company Secretary at Bradwell Limited, 10 Earlsfort Terrace, Dublin 2, D02 T380.

22. Pension commitments

The pension cost charge represents contributions payable by the company to the fund of £225,742 (2020: £206,809). Contributions of £Nil (2020: £27,886) were payable to the fund at the year end.

23. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 3 February 2023 and were signed on its behalf on that date.