

COMPANY REGISTRATION NUMBER: 08100986

MYPINPAD LTD
FINANCIAL STATEMENTS
30 JUNE 2022

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MYPINPAD LTD
FINANCIAL STATEMENTS
Year ended 30 June 2022

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MYPINPAD LTD**BALANCE SHEET****30 June 2022**

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5	109,085	75,511
CURRENT ASSETS			
Debtors	7	2,745,983	4,334,999
Cash at bank and in hand		712,225	596,456
		<u>3,458,208</u>	<u>4,931,455</u>
CREDITORS: amounts falling due within one year	8	(986,120)	(29,137,937)
NET CURRENT ASSETS/(LIABILITIES)		<u>2,472,088</u>	<u>(24,206,482)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,581,173	(24,130,971)
CREDITORS: amounts falling due after more than one year	9	(33,924,747)	—
NET LIABILITIES		<u>(31,343,574)</u>	<u>(24,130,971)</u>
CAPITAL AND RESERVES			
Called up share capital		187	187
Share premium account		2,951,183	2,951,183
Profit and loss account		<u>(34,294,944)</u>	<u>(27,082,341)</u>
SHAREHOLDERS FUNDS		<u>(31,343,574)</u>	<u>(24,130,971)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 26 January 2023, and are signed on behalf of the board by:

DocuSigned by:

Richard Forlee

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Mr R P M A Forlee
Director

Company registration number: 08100986

The notes on pages 2 to 8 form part of these financial statements.

MYPINPAD LTD**NOTES TO THE FINANCIAL STATEMENTS****Year ended 30 June 2022****1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 3 Assembly Square, Britannia Quay, Cardiff, CF10 4PL.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The accounts show that the company made a loss of £7,212,603 had net current assets of £2,472,088 and had net liabilities of £31,343,574 (2021 - £24,130,971) at the balance sheet date. The directors have therefore had to consider the appropriateness of the going concern basis.

The company is reliant on the continued support of its ultimate parent company. They have indicated their willingness to support the company for at least the next twelve months and the directors are confident that the Group will be able to attract sufficient future funding to enable the company to pay its debts as they fall due. Accordingly the accounts are prepared on a going concern basis.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Licentia Group Ltd which can be obtained from Acuity Legal Limited, 3 Assembly Square, Britannia Quay, Cardiff Bay, Cardiff, CF10 4PL. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

MYPINPAD LTD**NOTES TO THE FINANCIAL STATEMENTS** *(continued)***Year ended 30 June 2022****3. ACCOUNTING POLICIES** *(continued)***Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Useful economic life of tangible fixed assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated economic lives and residual values of the assets. The useful lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

MYPINPAD LTD**NOTES TO THE FINANCIAL STATEMENTS** *(continued)***Year ended 30 June 2022****3. ACCOUNTING POLICIES** *(continued)***Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 25% straight line
Equipment	- 25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

MYPINPAD LTD**NOTES TO THE FINANCIAL STATEMENTS** *(continued)***Year ended 30 June 2022****3. ACCOUNTING POLICIES** *(continued)***Research & development**

Research & development expenditure is not capitalised and is written off in the year of expenditure through the profit & loss account.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

MYPINPAD LTD**NOTES TO THE FINANCIAL STATEMENTS** *(continued)***Year ended 30 June 2022****3. ACCOUNTING POLICIES** *(continued)***Financial instruments** *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 67 (2021: 53).

MYPINPAD LTD**NOTES TO THE FINANCIAL STATEMENTS** *(continued)***Year ended 30 June 2022****5. TANGIBLE ASSETS**

	Plant and machinery £	Equipment £	Total £
Cost			
At 1 July 2021	19,651	91,776	111,427
Additions	–	69,725	69,725
At 30 June 2022	<u>19,651</u>	<u>161,501</u>	<u>181,152</u>
Depreciation			
At 1 July 2021	19,651	16,265	35,916
Charge for the year	–	36,151	36,151
At 30 June 2022	<u>19,651</u>	<u>52,416</u>	<u>72,067</u>
Carrying amount			
At 30 June 2022	<u>–</u>	<u>109,085</u>	<u>109,085</u>
At 30 June 2021	<u>–</u>	<u>75,511</u>	<u>75,511</u>

6. INVESTMENTS

	Shares in group undertaking s £
Cost	
At 1 July 2021 and 30 June 2022	<u>2,300,000</u>
Impairment	
At 1 July 2021 and 30 June 2022	<u>2,300,000</u>
Carrying amount	
At 30 June 2022	<u>–</u>
At 30 June 2021	<u>–</u>

The investment relates to wholly owned subsidiary My Pin Pad Asia Ltd.

7. DEBTORS

	2022 £	2021 £
Trade debtors	253,898	376,914
Amounts owed by group undertakings and undertakings in which the company has a participating interest	721,518	586,096
Other debtors	<u>1,770,567</u>	<u>3,371,989</u>
	<u>2,745,983</u>	<u>4,334,999</u>

MYPINPAD LTD**NOTES TO THE FINANCIAL STATEMENTS** *(continued)***Year ended 30 June 2022****8. CREDITORS: amounts falling due within one year**

	2022	2021
	£	£
Bank loans and overdrafts	20	–
Trade creditors	140,993	439,160
Amounts owed to group undertakings and undertakings in which the company has a participating interest	–	28,316,552
Social security and other taxes	127,939	143,174
Other creditors	717,168	239,051
	<u>986,120</u>	<u>29,137,937</u>

9. CREDITORS: amounts falling due after more than one year

	2022	2021
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>33,924,747</u>	<u>–</u>

10. SUMMARY AUDIT OPINION

The auditor's report for the year dated 26 January 2023 was unqualified.

The senior statutory auditor was Simon Tee, for and on behalf of Kilsby & Williams LLP.

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided by Section 33 of Financial Reporting Standard 102 from the requirement to disclose transactions between wholly owned members of the same group.

12. CONTROLLING PARTY

The ultimate parent company is Licentia Group Ltd, which is registered in England & Wales. Licentia Group Ltd holds 100% of the allotted share capital of the company.

The parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared is Licentia Group Ltd. Copies of the group financial statement of Licentia Group Ltd can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.