

Glint Pay UK Ltd

Annual Report and Financial Statements

For the year ended 31 December 2019

Company Registration No. 9696898 (England and Wales)

Glint Pay UK Ltd

Company Information

Directors	O Bolitho J Cozens H Fukuda OBE M Grubb
Company number	9696898
Registered office	Kemp House 152-160 City Road London EC1V 2NX
Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London

Glint Pay UK Ltd

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Glint Pay UK Ltd

Directors' Report

For the year ended 31 December 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the company continued to be that of the development of Glint, a comprehensive micro-services architecture to create a highly scalable and resilient savings and payment infrastructure.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

O Bolitho
J Cozens
H Fukuda OBE
M Grubb

Results and dividends

The results for the year are set out on page 6.

Auditor

Moore Kingston Smith LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 period. 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;
- 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 comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Glint Pay UK Ltd

Directors' Report (Continued)

For the year ended 31 December 2019

On behalf of the board

J Cozens

Director

18 August 2020

Glint Pay UK Ltd

Independent Auditor's Report

To the Member of Glint Pay UK Ltd

Opinion

We have audited the financial statements of Glint Pay UK Ltd (the 'company') for the year ended 31 December 2019 which comprise the Profit And Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 relating to going concern

We draw attention to the financial statements, which indicates that the company incurred a net loss of £2,696,845 during the year ended 31 December 2019. As indicated in Note 1.2, the company's parent, Glint Pay Limited, is currently raising additional capital and the Directors are confident, based on current discussions and capital raised in the post balance sheet period, that this will be achieved. If the required fundraising activity is not successful, the Group will not have sufficient resources to continue in operation for the foreseeable future. This indicates the existence of a material uncertainty, which 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Glint Pay UK Ltd

Independent Auditor's Report (Continued)

To the Member of Glint Pay UK Ltd

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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 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.

Glint Pay UK Ltd

Independent Auditor's Report (Continued)

To the Member of Glint Pay UK Ltd

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

Ryan Day (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

18 August 2020

Chartered Accountants
Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Glint Pay UK Ltd

Profit and loss account

For the year ended 31 December 2019

		2019	2018
	Notes	£	as restated £
Turnover		198,639	250,456
Cost of sales		(38,994)	(46,127)
Gross profit		159,645	204,329
Administrative expenses		(2,736,296)	(2,993,331)
Operating loss		(2,576,651)	(2,789,002)
Interest receivable and similar income		388	65
Loss before taxation		(2,576,263)	(2,788,937)
Taxation	6	(69,301)	588,070
Loss for the financial year		(2,645,564)	(2,200,867)

Glint Pay UK Ltd

Balance Sheet

As at 31 December 2019

		2019		2018 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets			3,841,738		3,545,544
Tangible assets	8		46,231		81,410
Current assets					
Stock		5,760		7,906	
Debtors	9	934,036		2,129,563	
Cash at bank and in hand		34,624		84,721	
			974,420		2,222,190
Creditors: amounts falling due within one year	10	(10,861,589)		(9,076,105)	
Net current liabilities			(9,887,169)		(6,853,915)
Total assets less current liabilities			(5,999,200)		(3,226,961)
Capital and reserves					
Called up share capital	12		1		1
Equity reserve			188,581		315,256
Profit and loss reserves			(6,187,782)		(3,542,218)
Total equity			(5,999,200)		(3,226,961)

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

The financial statements were approved by the board of directors and authorised for issue on 18 August 2020 and are signed on its behalf by:

J Cozens
Director

Company Registration No. 9696898

Glint Pay UK Ltd

Statement of Changes in Equity

For the year ended 31 December 2019

		Share capital	Share based payment reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
As restated for the period ended 31 December 2018:					
Balance at 1 January 2018		1	162,418	(1,341,351)	(1,178,932)
Year ended 31 December 2018:					
Loss and total comprehensive income for the year		-	-	(2,200,867)	(2,200,867)
Share based payment movement in the year		-	152,838	-	152,838
Balance at 31 December 2018		1	315,256	(3,542,218)	(3,226,961)
Year ended 31 December 2019:					
Loss and total comprehensive income for the year		-	-	(2,645,564)	(2,645,564)
Share based payment movement in the year	12	-	(126,675)	-	(126,675)
Balance at 31 December 2019		1	188,581	(6,187,782)	(5,999,200)

Glint Pay UK Ltd

Notes to the Financial Statements

For the year ended 31 December 2019

1 Accounting policies

Company information

Glint Pay UK Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Kemp House, 152-160 City Road, London, EC1V 2NX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The company made a loss for the year of £2,645,564 (2018: £2,200,867) and at the year end has net current liabilities of £9,887,169 (2018: £6,853,915) and net liabilities of £5,999,200 (2018: £3,226,961).

In accordance with their responsibilities, the directors have considered and concluded upon the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. In making this going concern assessment, the Directors have had regard to the following matters:

- • The Company's current performance and planned growth;
- • The Company's cashflow forecasts for a period of at least 12 months from the date of approval of these financial statements; and
- • The Parent Company's track record of successful fund raising from shareholders and other investors, as evidenced in previous periods and the post balance sheet period, and the current financing options that are on offer under the financing round "PP3" already subscribed and in the current round of Series A fundraising.

The Directors have assumed that sufficient further funding will be made available to the Company in the 12 month period following approval of these financial statements. Such funding would enable the Company to execute its business plan, realise the significant commercial opportunities available to it, and meet its liabilities as they fall due. In common with similar businesses at this stage of development, and in light of the Company's dependence on further financing being made available to it from its existing and/or new shareholders or other providers of finance, the directors consider there to be a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business if additional capital is not secured.

Nevertheless, after making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Company has continued to adopt the going concern basis in preparing the financial statements. The financial statements do not reflect any adjustments that would be required if the Company was unable to secure such financing.

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & trademarks	5 years straight line
Development costs	5 years straight line

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	5 years straight line
Computer Equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

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.

If 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. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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 years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stock

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to their present location and condition.

Stock held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention 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.

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

Classification of financial liabilities

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.

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.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Share Based payment transactions

The group uses the Black Scholes model to determine the fair value of options granted to employees. The calculation requires the use of estimates and assumptions. A change in these estimates or assumptions may affect charges to the profit and loss account over the vesting period of the options.

Amortisation

Intangible assets are amortised over their deemed useful economic life. This period has been determined via a review of the asset considering historic and future factors. The directors believe that the period over which the assets are amortised reflects the estimated useful economic life of the assets.

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	9,000	10,833
For other services		
All other non-audit services	1,750	833

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 23 (2018 - 37).

5 Directors' remuneration

	2019 £	2018 £
Remuneration paid to directors	93,684	340,340

6 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	69,301	(600,934)
Deferred tax		
Origination and reversal of timing differences	-	12,864
Total tax charge/(credit)	69,301	(588,070)

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

7 Intangible fixed assets

	Patents & trademarks £	Development costs £	Total £
Cost			
At 1 January 2019	567	4,242,857	4,243,424
Additions - separately acquired	-	1,301,942	1,301,942
At 31 December 2019	567	5,544,799	5,545,366
Amortisation and impairment			
At 1 January 2019	454	697,426	697,880
Amortisation charged for the year	113	1,005,635	1,005,748
At 31 December 2019	567	1,703,061	1,703,628
Carrying amount			
At 31 December 2019	-	3,841,738	3,841,738
At 31 December 2018	113	3,545,431	3,545,544

In line with International Accounting Standards, Development Costs have been capitalised as the technical and commercial feasibility of the assets has been established, and it can be demonstrated that these will generate future economic benefits for the Company.

8 Tangible fixed assets

	Fixtures and fittings £	Computer Equipment £	Total £
Cost			
At 1 January 2019	17,915	116,429	134,344
Additions	7,363	1,227	8,590
At 31 December 2019	25,278	117,656	142,934
Depreciation and impairment			
At 1 January 2019	3,770	49,164	52,934
Depreciation charged in the year	5,301	38,468	43,769
At 31 December 2019	9,071	87,632	96,703
Carrying amount			
At 31 December 2019	16,207	30,024	46,231
At 31 December 2018	14,145	67,265	81,410

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

9 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Amounts due from group undertakings	190,453	1,401,038
Other debtors	743,583	728,525
	<u>934,036</u>	<u>2,129,563</u>

Other debtors include research & development tax credit amounting to £531,633 (2018: £600,924).

10 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	126,644	125,467
Amounts due to group undertakings	10,576,647	8,792,222
Other taxation and social security	87,622	90,325
Other creditors	70,676	68,091
	<u>10,861,589</u>	<u>9,076,105</u>

11 Share-based payment transactions

The Company operates a share options scheme which is currently open to key permanent employees, offering share in Glint Pay Limited. The employees are employed by Glint Pay UK Limited. During the year, no (2018: 25,521,214) options over new Ordinary Shares of £0.00001 were granted. The weighted average exercise price per option for the 2018 options was £0.12. No share options have been exercised during the year.

The conditions for vesting vary for directors and for the rest of the employees. For directors, options vest upon specific events specified in their contract, whereas for employees the options vest 25% annually commencing from their employment start date and also upon specific events specified in the options contracts. All options must be exercised within ten years of the date of grant. Options are forfeited if the individual leaves the Company before the options vest.

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

11 Share-based payment transactions

(Continued)

	Number of share options		Weighted average exercise price	
	2019 Number	2018 Number	2019 £	2018 £
Outstanding at 1 January 2019	55,967,214	30,446,000	-	0.09
Granted	-	25,521,214	-	0.12
Outstanding at 31 December 2019	55,967,214	55,967,214	-	0.10
Exercisable at 31 December 2019	-	-	-	-

The fair value of services received is measured in reference to the fair value of share options granted and is based on recent market transactions, discounted for lack of marketability and lack of control.

The expected volatility is wholly based on the historic volatility adjusted for any unexpected changes to future volatility due to publicly available information. The risk free interest rate used is that of a 10 year yield UK treasury bond.

During the year the company recognised a net share-based payment credit of £126,675 (2018 - £69,848 net expense) which related to equity settled share based payment transactions.

12 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

13 Related party transactions

The Company has taken advantage of the exemption provided in FRS102 from disclosing transactions with members of the same group that are wholly owned.

14 Parent company

The Company is a subsidiary undertaking of Glint Pay Ltd which is also the ultimate controlling party.

The smallest group in which they are consolidated is that headed by Glint Pay Ltd whose registered office address is Portman House, 2 Portman Street, London, England, W1H 6DU. The consolidated financial statements of this group are available to the public on the Companies House website.

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

15 Financial commitments, guarantees and contingent liabilities

The company's assets are subject to a fixed and floating charge in favour of a company that has provided loan finance to its parent company, Glint Pay Limited.

16 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
90,000	-
<u>90,000</u>	<u>-</u>

17 Prior period adjustment

As at 31 December 2018 £102,445 of administration costs had been incorrectly capitalised as development costs. Total amortisation of these costs was £4,887. The prior period adjustment reverses the capitalisation and amortisation and debits the net amount of £97,558 to cost of sales.

As at 31 December 2018 £312,141 of administration costs had been incorrectly capitalised as other development costs. Total amortisation of these costs was £61,147. The prior period adjustment reverses the capitalisation and amortisation and debits the net amount of £250,994 to administrative expenses.

As at 31 December 2018 the net deferred tax asset relating to tax losses was £118,062 comprising £775,339 of tax losses and £657,277 relating to accelerated capital allowances. Given that there is no immediate prospect of the tax losses being used, the net asset has been reversed by way of a prior period adjustment. The company has not benefitted from accelerated capital allowances, so a deferred tax liability does not, therefore, exist.

As at 31 December 2018 the share based payment reserve was £192,456. The vesting periods used in the calculations were incorrect. The calculations have been updated as at 31 December 2018 and the resulting share based payment reserve is £315,256, requiring a prior period adjustment of £122,800.

Changes to the balance sheet

	At 31 December 2018		
	As previously reported	Adjustment	As restated
	£	£	£
Fixed assets			
Development costs	3,894,096	(348,552)	3,545,544
Provisions for liabilities			
Deferred tax	118,062	(118,062)	-
	<u> </u>	<u> </u>	<u> </u>
Net assets	<u>(2,760,347)</u>	<u>(466,614)</u>	<u>(3,226,961)</u>

Glint Pay UK Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

17 Prior period adjustment

(Continued)

	At 31 December 2018		
	As previously reported	Adjustment	As restated
	£	£	£
Capital and reserves			
Share based payment reserve	192,456	122,800	315,256
Profit and loss	(2,952,804)	(589,414)	(3,542,218)
	<u> </u>	<u> </u>	<u> </u>
Total equity	(2,760,347)	(466,614)	(3,226,961)
	<u> </u>	<u> </u>	<u> </u>
Changes to the profit and loss account			
	Period ended 31 December 2018		
	As previously reported	Adjustment	As restated
	£	£	£
Administrative expenses	(2,521,979)	(471,352)	(2,993,331)
Taxation	706,132	(118,062)	588,070
	<u> </u>	<u> </u>	<u> </u>
Loss for the financial period	(1,611,453)	(589,414)	(2,200,867)
	<u> </u>	<u> </u>	<u> </u>

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