

Registered number: 10388856 (England and Wales)

LUNO MONEY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019



LUNO MONEY LIMITED

COMPANY INFORMATION

Directors	T O Stranex M J Swanepoel
Registered number	10388856
Registered office	3rd Floor 86 - 90 Paul Street London United Kingdom EC2A 4NE
Independent auditors	F&L Corporate Reporting Services Limited Chartered Accountants and Statutory Auditors New Penderel House 4th Floor 283-288 High Holborn London United Kingdom WC1V 7HP

LUNO MONEY LIMITED

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LUNO MONEY LIMITED
REGISTERED NUMBER:10388856

BALANCE SHEET
AS AT 31 MARCH 2019

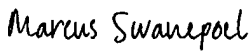
	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	201,743	-
		<u>201,743</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	5	1,772,355	1,916,686
Cash at bank and in hand	6	4,491,388	29,094,595
		<u>6,263,743</u>	<u>31,011,281</u>
Creditors: amounts falling due within one year	7	(6,140,912)	(30,976,973)
Net current assets		<u>122,831</u>	<u>34,308</u>
Total assets less current liabilities		<u>324,574</u>	<u>34,308</u>
Net assets		<u><u>324,574</u></u>	<u><u>34,308</u></u>
Capital and reserves			
Called up share capital		81	81
Profit and loss account		324,493	34,227
		<u>324,574</u>	<u>34,308</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

 0C53AF6A369D467...
M J Swanepoel
Director

Date: 07 October 2019 | 11:25 AM BST

The notes on pages 2 to 7 form part of these financial statements.

LUNO MONEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

1.2 Going concern

Luno Pte. Ltd., the parent company, has indicated its continued financial support to the Company. Should this support be withdrawn, then all of the Company's assets would have to be restated at their net realisable values and its liabilities would have to be treated as falling due on demand.

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from the intercompany service agreement is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Transaction processing income is recognised at the point a customer withdraws fiat currency from their wallet.

1.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

1.5 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

LUNO MONEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

1.6 Taxation

Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

1.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Leasehold improvements	- over the lease term
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

LUNO MONEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

1.11 Pensions

Defined contribution pension plan

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 payment 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

1.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

LUNO MONEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Auditors' information

The auditors' report on the financial statements for the year ended 31 March 2019 was unqualified.

The audit report was signed by Louise Morriss BFP ACA FCCA (Senior Statutory Auditor) on behalf of F&L Corporate Reporting Services Limited.

3. Employees

The average monthly number of employees, including directors, during the year was 16 (2018 - 5).

4. Tangible fixed assets

	Leasehold improvements £
Cost or valuation	
Additions	225,021
At 31 March 2019	225,021
Depreciation	
Charge for the year on owned assets	23,278
At 31 March 2019	23,278
Net book value	
At 31 March 2019	201,743
At 31 March 2018	-

LUNO MONEY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****5. Debtors**

	2019 £	2018 £
Amounts owed by group undertakings	311,183	318,315
Other debtors	1,186,537	1,598,371
Lease deposit	208,264	-
Prepayments and accrued income	66,371	-
	<u>1,772,355</u>	<u>1,916,686</u>

6. Cash and cash equivalents

	2019 £	2018 £
Bank account	3,789,899	28,444,984
Customer funds	701,489	649,611
	<u>4,491,388</u>	<u>29,094,595</u>

Customer funds represent cash held on behalf of customers by the Company. The Company requires permission to control these funds by the customer.

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	4,485,421	29,755,970
Trade creditors	42,466	-
Amounts owed to group undertakings	574,234	502,048
Corporation tax	49,925	8,191
Other taxation and social security	87,576	-
Customer funds	701,490	649,611
Other creditors	42,506	10,194
Accruals and deferred income	157,294	50,959
	<u>6,140,912</u>	<u>30,976,973</u>

Other loans represent cash and cryptocurrency owed to Luno Pte. Ltd. under an agency agreement.

LUNO MONEY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****8. Financial instruments**

	2019	2018
	£	£
Financial assets		
Financial assets	<u>5,677,663</u>	<u>30,673,616</u>

Financial assets comprise cash and cryptocurrency.

Included within this total is an amount of £4,247,380 (2018: £29,755,970) held on behalf of Luno Pte. Ltd.

9. Financial commitments

At the end of the reporting period, the total amount of all financial commitments, guarantees and contingencies that are not included in the balance sheet was £1,523,200 (2018: £19,350) of which £318,640 (2018: £19,350) was falling due within one year.

10. Controlling party

Luno Pte. Ltd., a company incorporated in Singapore, is the parent company of the smallest group for which consolidated financial statements are drawn up of which the Company is a member. The registered office of the parent company is 1 Coleman Street, #05-05 The Adelphi, Singapore, 179803.

11. Post balance sheet events

There were no adjusting or non-adjusting events occurring between the end of the reporting period and the date these financial statements were approved.