

**Group Strategic Report, Report of the Director and  
Consolidated Financial Statements  
for the Period 31 December 2019 to 29 December 2020  
for  
Cospay Holdings Limited**

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for the Period 31 December 2019 to 29 December 2020**

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**Cospay Holdings Limited**  
**Company Information**  
**for the Period 31 December 2019 to 29 December 2020**

**DIRECTOR:** V Remi

**REGISTERED OFFICE:** One Bartholomew Close  
London  
EC1A 7BL

**REGISTERED NUMBER:** 10575438 (England and Wales)

**AUDITORS:** Botham Accounting Limited  
Chartered Accountants  
Statutory Auditors  
14 Clarendon Street  
Nottingham  
Nottinghamshire  
NG1 5HQ

**Group Strategic Report  
for the Period 31 December 2019 to 29 December 2020**

The director presents his strategic report of the company and the group for the period 31 December 2019 to 29 December 2020.

**REVIEW OF BUSINESS**

During the prior year, the group was acquired by Mr Vladimirs Remi through the purchase of 100% of its share capital.

The group is operating in the finance industry with a focus on acquiring solutions for e-commerce and banking solutions for customers, who are both corporate and individual clients. The group is the principal member of the international card schemes like Visa, MasterCard and Union Pay that allows it to offer acquiring and issuing solutions to other financial institutions on the market and issue financial products like payment cards, POS terminals and e-commerce solutions.

Additionally, aside from all that, the group is currently working on two major projects that most likely will become the main principal activity in the near future. The group works directly with national regulators, card schemes and banks. The group has a strong intention to apply for the Specialized Banking License (SBL), the new startup unit with the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) of the United Kingdom due to the Brexit and cross border limitations. The group is willing to become the independent financial organization that could work outside the United Kingdom and service the Commonwealth and other countries based on its business plan and AML policies and procedures.

The group has initiated the process of becoming a significant trading partner with the major global payment schemes and has been approved as principal member with China Union Pay, MasterCard and Visa.

The group promotes quality, efficiency and innovation and the mission is to provide competitive solutions for Business to Business (B2B) customers and offer the full range of banking products so that customers do not need to have another business account.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Like any other business, the group's operations are exposed to risks which could potentially have an adverse impact on the group. The directors have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity. The main risks and uncertainties that could affect the group are set out in the following paragraphs.

**BUSINESS RISK**

The directors consider that the group's principal business risk is that of failing to generate the required funds to finalise and fully launch the product.

**REGULATORY RISK**

The group operates in an industry subject to extensive and comprehensive regulation. Consequently, the group is exposed to many forms of risk in connection with compliance with a wide range of laws and regulations. Some examples would include breaching general organisational requirements, such as the requirement to have robust governance arrangements or failure to observe money laundering guidelines.

**OPERATIONAL RISK**

The group relies heavily on its operational processes and IT and related communication systems. These processes and systems may not operate as expected, may not fulfil their intended purpose or may be damaged by disruptive events such as cyber crime or human error. The group is investing in robust operational systems and controls to be able to respond to unexpected events in an organised and timely manner and undertakes rigorous planning and testing.

**LIQUIDITY RISK**

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest any surplus cash assets of the group safely and profitably. The group is financed through debt funding from its related companies.

**Group Strategic Report  
for the Period 31 December 2019 to 29 December 2020**

**BREXIT RISK**

As a result of Brexit, the company has decided to stay in the United Kingdom and operate only inside the country, within the local market. To ensure further business development, the group is planning to submit an application to the Prudential Regulation Authority (PRA), the Bank of England and Financial Conduct Authority (FCA) and request authorization for a banking license. This would give the company an opportunity to compensate for the consequences caused by Brexit and allow to operate on the international markets. Until the banking license is granted, the company will continue to operate in the United Kingdom.

**ON BEHALF OF THE BOARD:**

V Remi - Director

10 February 2022

**Report of the Director  
for the Period 31 December 2019 to 29 December 2020**

The director presents his report with the financial statements of the company and the group for the period 31 December 2019 to 29 December 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the period under review was that of financial intermediation.

The principal activity of the company is that of a holding company.

**DIVIDENDS**

No dividends will be distributed for the period ended 29 December 2020.

**DIRECTOR**

V Remi held office during the whole of the period from 31 December 2019 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Cospay Holdings Limited (Registered number: 10575438)**

**Report of the Director  
for the Period 31 December 2019 to 29 December 2020**

**AUDITORS**

Botham Accounting Limited have been appointed as auditors after the year end. Botham Accounting Limited have expressed their willingness to continue in office as auditor.

A resolution to re-appoint Botham Accounting Limited as the groups auditor will be proposed at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

V Remi - Director

10 February 2022

## **Report of the Independent Auditors to the Members of Cospay Holdings Limited**

### **Opinion**

We have audited the financial statements of Cospay Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 29 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement 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 Financial Reporting Standard 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 group's and of the parent company affairs as at 29 December 2020 and of the group's loss for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

### **Conclusions relating to going concern**

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

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 group's and the parent 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.

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

### **Other information**

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.



## **Report of the Independent Auditors to the Members of Cospay Holdings Limited**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

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

### **Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is responsible for assessing the group's and the parent 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

## **Report of the Independent Auditors to the Members of Cospay Holdings Limited**

### **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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group, we identified that the principal risks of non-compliance with laws and regulations related to corporation tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements.

As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

Audit procedures performed by the engagement team include:

- Enquiring of and obtaining written representation from management and those charged with governance in relation to actual and potential litigation and claims;
- Enquiring of entity staff to identify any instances of non-compliance with laws and regulations;
- Review of meeting minutes of those charged with governance;
- Review of financial statement disclosures and testing to supporting documentation to assess compliance with laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that the compliance with law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of  
Cospay Holdings Limited**

**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 so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Botham ACA (Senior Statutory Auditor)  
for and on behalf of Botham Accounting Limited  
Chartered Accountants  
Statutory Auditors  
14 Clarendon Street  
Nottingham  
Nottinghamshire  
NG1 5HQ

10 February 2022

**Consolidated  
Statement of Comprehensive  
Income  
for the Period 31 December 2019 to 29 December 2020**

	Notes	Period 31.12.19 to 29.12.20 £	Period 1.1.19 to 30.12.19 £
<b>TURNOVER</b>		-	-
Cost of sales		<u>332,377</u>	<u>12,315</u>
<b>GROSS LOSS</b>		<u>(332,377)</u>	<u>(12,315)</u>
Administrative expenses		<u>399,532</u>	<u>(1,074,920)</u>
<b>OPERATING (LOSS)/PROFIT</b>	4	<u>(731,909)</u>	<u>1,062,605</u>
Interest receivable and similar income		<u>2,042</u>	<u>380</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<u>(729,867)</u>	<u>1,062,985</u>
Tax on (loss)/profit	5	<u>-</u>	<u>-</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL PERIOD</b>		<u>(729,867)</u>	<u>1,062,985</u>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u><u>(729,867)</u></u>	<u><u>1,062,985</u></u>
(Loss)/profit attributable to:			
Owners of the parent		<u><u>(729,867)</u></u>	<u><u>1,062,985</u></u>
Total comprehensive income attributable to:			
Owners of the parent		<u><u>(729,867)</u></u>	<u><u>1,062,985</u></u>

The notes form part of these financial statements

**Cospay Holdings Limited (Registered number: 10575438)**

**Consolidated Balance Sheet  
29 December 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		41,738		47,701
Tangible assets	8		51,384		53,571
Investments	9		-		-
			<u>93,122</u>		<u>101,272</u>
<b>CURRENT ASSETS</b>					
Debtors	10	1,587,438		1,834,600	
Cash at bank and in hand		<u>1</u>		<u>140,771</u>	
		1,587,439		1,975,371	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>933,243</u>		<u>698,352</u>	
<b>NET CURRENT ASSETS</b>			<u>654,196</u>		<u>1,277,019</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			747,318		1,378,291
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		<u>98,894</u>		-
<b>NET ASSETS</b>			<u>648,424</u>		<u>1,378,291</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		2		2
Retained earnings	15		<u>648,422</u>		<u>1,378,289</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>648,424</u>		<u>1,378,291</u>

The financial statements were approved by the director and authorised for issue on 10 February 2022 and were signed by:

V Remi - Director

The notes form part of these financial statements

**Cospay Holdings Limited (Registered number: 10575438)**

**Company Balance Sheet  
29 December 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		-		-
Tangible assets	8		-		-
Investments	9		<u>275,869</u>		<u>275,869</u>
			<u>275,869</u>		<u>275,869</u>
<b>CURRENT ASSETS</b>					
Cash in hand		2		2	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>275,869</u>		<u>275,869</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(275,867)</u>		<u>(275,867)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2</u>		<u>2</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		<u>2</u>		<u>2</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>2</u>		<u>2</u>
Company's profit for the financial year			<u>-</u>		<u>-</u>

The financial statements were approved by the director and authorised for issue on 23 December 2021 and were signed by:

V Remi - Director

The notes form part of these financial statements

**Cospay Holdings Limited (Registered number: 10575438)**

**Consolidated Statement of Changes in Equity  
for the Period 31 December 2019 to 29 December 2020**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2019</b>	2	315,304	315,306
<b>Changes in equity</b>			
Total comprehensive income	-	1,062,985	1,062,985
<b>Balance at 30 December 2019</b>	<u>2</u>	<u>1,378,289</u>	<u>1,378,291</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(729,867)	(729,867)
<b>Balance at 29 December 2020</b>	<u>2</u>	<u>648,422</u>	<u>648,424</u>

The notes form part of these financial statements

**Cospay Holdings Limited (Registered number: 10575438)**

**Company Statement of Changes in Equity  
for the Period 31 December 2019 to 29 December 2020**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2019</b>	2	-	2
<b>Changes in equity</b>			
<b>Balance at 30 December 2019</b>	<u>2</u>	<u>-</u>	<u>2</u>
<b>Changes in equity</b>			
<b>Balance at 29 December 2020</b>	<u>2</u>	<u>-</u>	<u>2</u>

The notes form part of these financial statements



**Cospay Holdings Limited (Registered number: 10575438)**

**Consolidated Cash Flow Statement  
for the Period 31 December 2019 to 29 December 2020**

	Notes	Period 31.12.19 to 29.12.20 £	Period 1.1.19 to 30.12.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	20	<u>(178,536)</u>	<u>(29,505)</u>
Net cash from operating activities		<u>(178,536)</u>	<u>(29,505)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(11,299)	(54,664)
Interest received		<u>2,042</u>	<u>380</u>
Net cash from investing activities		<u>(9,257)</u>	<u>(54,284)</u>
<b>Cash flows from financing activities</b>			
New loans in year		98,894	-
Amount withdrawn by directors		<u>(69,312)</u>	<u>(36,515)</u>
Net cash from financing activities		<u>29,582</u>	<u>(36,515)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(158,211)</u>	<u>(120,304)</u>
<b>Cash and cash equivalents at beginning of period</b>	21	140,771	261,075
<b>Cash and cash equivalents at end of period</b>	21	<u>(17,440)</u>	<u>140,771</u>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements  
for the Period 31 December 2019 to 29 December 2020**

**1. STATUTORY INFORMATION**

Cospay Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The principal activity of the group and the company is included in the Directors report.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The functional and presentational currency of Cospay Holdings Limited is considered to be pounds sterling. The financial statements are rounded to the nearest pound.

The financial statements for Cospay Holdings Limited cover a 12 month period from 31st December 2019 to 29th December 2020. The financial statements of Cospay Limited, the wholly owned subsidiary, cover a 12 month period from 31st December 2019 to 29th December 2020.

**Basis of consolidation**

The financial statements consolidate the financial statements of the Group and all of its subsidiary undertakings. Cospay Holdings Limited acquired control of Cospay Limited under the acquisition method through the purchase of 100% of its share capital on 5th January 2018.

**Significant judgements and estimates**

The directors make estimates and assumptions concerning the future and are also required to exercise judgement in applying the group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

**- Depreciation, amortisation and residual value**

The directors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded them appropriate. The actual lives of the asset are assessed periodically and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

**Goodwill**

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment	- 25% on cost
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Notes to the Consolidated Financial Statements - continued  
for the Period 31 December 2019 to 29 December 2020

2. ACCOUNTING POLICIES - continued

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**Financial instruments**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Investment in subsidiaries**

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

3. EMPLOYEES AND DIRECTORS

	Period 31.12.19 to 29.12.20 £	Period 1.1.19 to 30.12.19 £
Social security costs	-	<u>2,823</u>

**Cospay Holdings Limited (Registered number: 10575438)**

**Notes to the Consolidated Financial Statements - continued  
for the Period 31 December 2019 to 29 December 2020**

**3. EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the period was as follows:

	Period 31.12.19 to 29.12.20	Period 1.1.19 to 30.12.19
Management	<u>1</u>	<u>1</u>

The average number of employees by undertakings that were proportionately consolidated during the period was 1 (2019 - 1) .

	Period 31.12.19 to 29.12.20 £	Period 1.1.19 to 30.12.19 £
Directors' remuneration	<u>-</u>	<u>-</u>

**4. OPERATING (LOSS)/PROFIT**

The operating loss (2019 - operating profit) is stated after charging/(crediting):

	Period 31.12.19 to 29.12.20 £	Period 1.1.19 to 30.12.19 £
Other operating leases	2,623	14,717
Depreciation - owned assets	2,187	1,093
Goodwill amortisation	5,963	5,962
Auditors' remuneration	6,000	3,500
Foreign exchange differences	<u>79,464</u>	<u>(21,696)</u>

**5. TAXATION**

The group has unused tax losses brought forward. The recoverability of the losses is dependent on the group's ability to generate future taxable profits sufficient to utilise the tax losses.

Due to the inherent uncertainty in forecasting the amount and the timing of future taxable profits the group has not recognised a deferred tax asset in respect of the tax losses.

The losses brought forward at 1 January 2020 were £208,941 and the losses carried forward at 29 December 2020 were £866,234. There is also an unrecognised deferred tax asset of £164,584 (2019: £39,699).

**6. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

Notes to the Consolidated Financial Statements - continued  
for the Period 31 December 2019 to 29 December 2020

7. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
<b>COST</b>	
At 31 December 2019 and 29 December 2020	<u>59,626</u>
<b>AMORTISATION</b>	
At 31 December 2019	11,925
Amortisation for period	<u>5,963</u>
At 29 December 2020	<u>17,888</u>
<b>NET BOOK VALUE</b>	
At 29 December 2020	<u>41,738</u>
At 30 December 2019	<u>47,701</u>

The company itself, Cospay Holdings Limited, has no intangible assets.

8. TANGIBLE FIXED ASSETS

Group

	Computer equipment £
<b>COST</b>	
At 31 December 2019	54,664
Additions	<u>11,299</u>
At 29 December 2020	<u>65,963</u>
<b>DEPRECIATION</b>	
At 31 December 2019	1,093
Charge for period	2,187
Impairments	<u>11,299</u>
At 29 December 2020	<u>14,579</u>
<b>NET BOOK VALUE</b>	
At 29 December 2020	<u>51,384</u>
At 30 December 2019	<u>53,571</u>

Notes to the Consolidated Financial Statements - continued  
for the Period 31 December 2019 to 29 December 2020

9. **FIXED ASSET INVESTMENTS**

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 31 December 2019 and 29 December 2020	<u>275,869</u>
<b>NET BOOK VALUE</b>	
At 29 December 2020	<u>275,869</u>
At 30 December 2019	<u>275,869</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary**

**Cospay Limited**

Registered office: 40 Bank Street Level 18, Canary Wharf, London, E14 5NR  
Nature of business: Financial intermediation

	%
Class of shares:	holding
Ordinary	100.00

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	
	Year 1.1.19 to 31.12.19 £	Period 1.2.18 to 31.12.18 £
Trade Debtors	169,996	-
Directors' Loan Account	36,515	-
Other debtors	1,291,926	7,265
Prepayments	336,163	-
	<u>1,834,600</u>	<u>7,265</u>

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	Year ended 1.1.19 to 31.12.19 £	Period 1.2.18 to 31.12.18 £	Year ended 1.1.19 to 31.12.19 £	Period 1.2.18 to 31.12.18 £
Trade creditors	352,561	848	-	-
Amounts owed to group undertakings	-	-	275,869	275,869
Other creditors	170,095	148	-	-
Directors' current accounts	-	-	-	-
Accruals and deferred income	175,696	5,700	-	-
	<u>698,352</u>	<u>6,696</u>	<u>275,869</u>	<u>275,867</u>

**Cospay Holdings Limited (Registered number: 10575438)**

**Notes to the Consolidated Financial Statements - continued  
for the Period 31 December 2019 to 29 December 2020**

**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	
	2020	2019
	£	£
Other loans (see note 13)	<u>98,894</u>	<u>-</u>

**13. LOANS**

An analysis of the maturity of loans is given below:

		<b>Group</b>	
		2020	2019
		£	£
Amounts falling due within one year or on demand:			
Bank overdrafts		<u>17,441</u>	<u>-</u>
Amounts falling due between two and five years:			
Other loans - 2-5 years		<u>98,894</u>	<u>-</u>

**14. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2020	2019
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

All shares have full rights with regards to voting, participation and dividends.

**15. RESERVES**

Retained earnings records retained earnings and accumulated losses.

**16. PENSION COMMITMENTS**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £nil. Contributions totalling £148 were payable to the fund at the balance sheet date and are included in creditors.

Notes to the Consolidated Financial Statements - continued  
for the Period 31 December 2019 to 29 December 2020

17. **DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the periods ended 29 December 2020 and 30 December 2019:

	2020 £	2019 £
<b>V Remi</b>		
Balance outstanding at start of period	36,515	-
Amounts advanced	69,312	39,494
Amounts repaid	-	(2,979)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	<u>105,827</u>	<u>36,515</u>

18. **RELATED PARTY DISCLOSURES**

The outstanding balance due to group undertakings at 29 December 2020 was £275,869 (2019: £275,869).

19. **ULTIMATE CONTROLLING PARTY**

At the balance sheet date, the group was ultimately controlled by V Remi.

20. **RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	Period 31.12.19 to 29.12.20 £	Period 1.1.19 to 30.12.19 £
(Loss)/profit before taxation	(729,867)	1,062,985
Depreciation charges	19,449	7,056
Finance income	<u>(2,042)</u>	<u>(380)</u>
	(712,460)	1,069,661
Decrease/(increase) in trade and other debtors	350,083	(1,790,821)
Increase in trade and other creditors	<u>183,841</u>	<u>691,655</u>
<b>Cash generated from operations</b>	<u>(178,536)</u>	<u>(29,505)</u>



Notes to the Consolidated Financial Statements - continued  
for the Period 31 December 2019 to 29 December 2020

21. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 29 December 2020

	29.12.20 £	31.12.19 £
Cash and cash equivalents	1	140,771
Bank overdrafts	(17,441)	-
	<u>(17,440)</u>	<u>140,771</u>

Period ended 30 December 2019

	30.12.19 £	1.1.19 £
Cash and cash equivalents	<u>140,771</u>	<u>261,075</u>

22. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 31.12.19 £	Cash flow £	At 29.12.20 £
<b>Net cash</b>			
Cash at bank and in hand	140,771	(140,770)	1
Bank overdrafts	-	(17,441)	(17,441)
	<u>140,771</u>	<u>(158,211)</u>	<u>(17,440)</u>
<b>Debt</b>			
Debts falling due after 1 year	-	(98,894)	(98,894)
	-	(98,894)	(98,894)
<b>Total</b>	<u>140,771</u>	<u>(257,105)</u>	<u>(116,334)</u>

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