

Company Registration No. 03257901

3C Payment UK Limited

Report and Financial Statements

31 December 2020



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DIRECTORS AND OTHER INFORMATION

Board of Directors

Timothy Goodwin
Stephen O'Donovan (appointed 17 November 2020)
Julien Richard (appointed 9 December 2021)

Solicitors

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

Registered Office

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

Bankers

Lloyds TSB Bank plc
Butler Place
London
SW1H 0PR
United Kingdom

Registered number: 03257901

Auditors

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

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31 December 2020.

Statement of directors' responsibilities

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

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

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

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

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

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

Disclosure of information to auditors

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

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

Principal activities and business review

The principal activities of the Company continue to be credit card/charge card car parking services and integrated Transac credit card/charge card handling business. COVID-19 had a direct impact on this activity. The general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. Operators in some of these industries represent a significant share of our client base, such that we have seen a significant decrease of our revenues during 2020. Accordingly, we have taken cost savings measures, have re-assessed our forecast for 2020, have including COVID-19 impact in our 2021 budget and have taken additional measures to improve our liquidity position. The directors are satisfied with the results of the company for the financial year under review.

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

DIRECTORS' REPORT - continued**Principal activities and business review - continued**

The Company is a wholly owned subsidiary of 3C Payment Luxembourg S.A., fully controlled by Tribus S.A..

On 31 July 2020, the shares of Tribus S.A were acquired by Planet Payment Group Holdings Limited. The ultimate parent and controlling party is now Franklin Ireland Topco Limited.

After the transaction completed Tribus S.A. and its affiliates became a part of a global powerhouse payment player, providing a world leading service for combined merchants and partners. Planet Payment Group Holdings Limited is a trusted Payment partner, delivering value-added payment solutions including VAT refund, Currency Conversion and acquiring. The Planet group was founded over 30 years ago in Ireland and operates now in more than 60 markets across five continents, serving up the best technology for acquirers, merchants and consumers across the luxury, retail and hospitality spaces. 3C gateway and integration capabilities, when combined with Planet group entities' added value payment services, will create a truly unique payment platform in the sector to simplify the payment experience for merchants, acquirers and their customers. This partnership will create a powerful new product proposition in the payment industry.

Franklin Ireland Topco Limited is a 95% owned subsidiary of Legendre Holdings 44 SAS. The controlling party was Eurazeo S.E., a company incorporated in France prior to the sale of a significant portion of its stake to Advent International (note 20).

Results and dividends

The profit for the financial year, after taxation amounted to £139,893 (2019: profit of £216,382). The directors have not recommended a dividend (2019: £200,000).

Principal risks and uncertainties

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

Competitive risks

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

Political risks

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

Covid-19 risks

The current ongoing pandemic is a continuing risk to the Company.

Exchange rate risk

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

Cash flow risk

The Company's operations are fully financed from cash reserves, allowing our short term liabilities to be financed from our cash base with no need for external borrowing.

Exposure to price, credit and liquidity risk

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

The Company holds sufficient cash reserves and so there is no significant liquidity risk.

DIRECTORS' REPORT - continued

Directors

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

Timothy Goodwin

Emma Kelly (appointed on 17 November 2020) (resigned 9 November 2021)

Stephen O'Donovan (appointed on 17 November 2020)

Michele Ferraris (resigned 18 November 2020)

Julien Richard (appointed on 9 December 2021)

The directors who held office at signing are stated on page 1. None of the directors had beneficial interests in the share capital of the company during the year ended 31 December 2019 and during the year ended 31 December 2020. There are no directors' interests requiring disclosure under the Companies Act 2006.

Company Secretary

Christian De Biasio resigned on 18 November 2020.

Going Concern

The Directors have received confirmation from the Company's parent undertaking that it will, in the event that it becomes necessary, provide the Company with financial assistance to meet its financial liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. The Directors have assessed the ability of the ultimate parent to provide this support and, on this basis of this confirmation of support, the Directors have concluded that it is appropriate to prepare the annual report and financial statements on a going concern basis.

Events after the reporting period

On 21 October 2021 the Ultimate Parent, Eurazeo S.E., sold a substantial percentage of its stake in Planet Group to Advent International. Following this transaction Advent International and Eurazeo S.E. now co-control Planet Group.

Political donations

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

Small Companies' Exemption

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

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

The Company has exceeded two of the three thresholds for availing of small company exemption. The Company can still claim this exemption for Year Ended 31 December 2020, per Companies House regulations the conditions need to be met in that year and the year before.

On behalf of the board

Timothy Goodwin
Director
Date: 23 March 2022

DocuSigned by:
Tim Goodwin
E424DE45E5AD4AA...

Registered number: 03257901



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

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

- the Statement of Financial Position as at 31 December 2020;
 - the Profit and Loss Account for the year then ended;
 - the Statement of Changes in Equity for the year then ended; and
 - the notes to the financial statements, which include a description of the significant accounting policies.
-

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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



- discussions with management, in respect of the risk of fraud and any known or suspected instances of non-compliance with laws and regulation and fraud and reviewing Board Minutes;
- confirmation with those charged with governance in respect of risk of fraud and any known or suspected instances of non-compliance with laws and regulations;
- consideration of the overall control environment and the processes and controls in place in the company, including procedures to achieve compliance with relevant laws and regulations;
- testing of journal entries posted throughout the period and at period end.

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Ken Johnson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Limerick
23 March 2022

PROFIT AND LOSS ACCOUNT
For the financial year ended 31 December 2020

	Notes	2020 £	2019 £
Turnover	4	6,570,293	8,436,312
Cost of sales		(6,203,308)	(6,877,281)
Gross Profit		<u>366,985</u>	<u>1,559,032</u>
Other income		1,392,837	450,036
Administrative expenses		(1,729,874)	(1,914,784)
Operating profit	5	<u>29,948</u>	<u>94,283</u>
Interest receivable and similar income	8	109,945	208,026
Profit on ordinary activities before taxation		<u>139,893</u>	<u>302,308</u>
Tax on profit on ordinary activities	9	-	(85,927)
Profit for the financial year		<u>139,893</u>	<u>216,382</u>
Other Comprehensive Income		-	-
Total Comprehensive profit for the financial year		<u><u>139,893</u></u>	<u><u>216,382</u></u>

All amounts arose from continuing operations.

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

STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

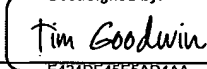
	Notes	2020 £	2019 £
Non-current assets			
Intangible assets	10	-	-
Tangible assets	11	721,346	1,051,947
		<u>721,346</u>	<u>1,051,947</u>
Current assets			
Inventory	12	52,205	103,651
Debtors: amounts falling due within one year	13	3,880,010	4,072,350
Deferred tax asset	14	3,480	3,480
Cash at bank and in hand	15	2,204,041	3,401,124
		<u>6,139,736</u>	<u>7,580,605</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(6,019,777)	(7,688,573)
Corporation tax liability		(72,395)	(72,395)
		<u>(6,092,172)</u>	<u>(7,760,968)</u>
Net current assets/liabilities		47,564	(180,363)
Total assets less current liabilities		<u>768,910</u>	<u>871,584</u>
Non-current liabilities			
Creditors: amounts falling due after more than one year	17	(282,130)	(524,697)
Net assets		<u>486,780</u>	<u>346,887</u>
Capital and reserves			
Called up share capital presented as equity	18	2	2
Profit and loss account	18	486,778	346,885
Equity Shareholders' funds		<u>486,780</u>	<u>346,887</u>

The notes on pages 11 to 25 are an integral part of these financial statements.

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

The financial statements on pages 8 to 25 were approved and authorised for issue by the board of directors on 23 March 2022 and were signed on its behalf.

On behalf of the board

DocuSigned by:

 Timothy Goodwin
 Director
 Date: 23 March 2022
 Registered number: 03257901

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2020

		Called up share Capital	Profit and loss account	Equity Shareholder's funds
	Notes	£	£	£
At 1 January 2019		2	330,504	330,506
Profit for the financial year		-	216,382	216,382
Other comprehensive income		-	-	-
Dividends paid	19	-	(200,000)	(200,000)
At 31 December 2019		<u>2</u>	<u>346,885</u>	<u>346,887</u>
Profit for the financial year		-	139,893	139,893
Other comprehensive income		-	-	-
Dividends paid		-	-	-
At 31 December 2020		<u>2</u>	<u>486,778</u>	<u>486,780</u>

Notes to the financial statements**1. General Information**

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

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

These financial statements are the Company's financial statements for the year beginning 1 January 2020 and ending 31 December 2020.

2. Significant accounting policies

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

(a) Basis of preparation

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

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

(b) Disclosure exemptions in accordance with FRS 101

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

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

Notes to the financial statements - continued

2. Summary of significant accounting policies - continued

(c) Going concern

The company meets its day-to-day working capital requirements through its bank facilities. The current economic conditions including the impact of Covid 19 pandemic continue to create uncertainty over the level of demand for the company's products; and the availability of bank finance for the foreseeable future. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities.

The Directors have received confirmation from Planet Payment Group Holdings Limited undertaking that it will, in the event that it becomes necessary, provide the Company with financial assistance to meet its financial liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. The Directors have assessed the ability of the ultimate parent to provide this support and, on this basis of this confirmation of support, the Directors have concluded that it is appropriate to prepare the annual report and financial statements on a going concern basis.

(d) Changes in accounting policy and disclosures

New standards, amendments and interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2020 that have a material impact on the Company's financial statements.

(e) Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

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

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

(ii) Deferred tax

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

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

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

Notes to the financial statements - continued**2. Summary of significant accounting policies - continued****(f) Turnover**

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

Rendering of services

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

Interest income

Turnover is recognised as interest accrued using the effective interest method.

(g) Intangible assets

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

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

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

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

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

(h) Tangible assets

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

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

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

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

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

Notes to the financial statements - continued

2. Summary of significant accounting policies – continued

(i) Interest receivable and similar income

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

(j) Leases

The Company applied IFRS 16 Leases for the first time in 2019. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

The Company leases various offices and vehicles. Rental contracts are typically made for fixed periods of 6 months to 4 years but may have extension options. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee and for which it has major leases, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, rentals under operating leases were charged on a straight-line basis over the lease term, even if payment were not made on such a basis. From 1 January 2019, the Company recognises leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
 - Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
 - Amounts expected to be payable by the Company under residual value guarantees;
 - The exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
 - Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.
- Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Notes to the financial statements - continued

2. Summary of significant accounting policies - continued

(i) Leases - continued

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Low-value assets comprise IT equipment and small items of office furniture.

The Company applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach, the comparative information is not restated, the cumulative effect of initially applying IFRS 16 should be recognised in reserves. As the cumulative effect of applying IFRS 16 on adoption was immaterial it was accounted for in 2019 with no adjustment to the opening reserves. Prior to this change, leases of offices and vehicles where the Company, as lessee, had substantially all the risks and rewards of ownership were fully expensed.

On adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 2%. This rate has now changed to Planet Group incremental borrowing rate of 4%.

Practical expedients applied

In applying IFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019;
- Accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- Excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

As the cumulative effect of applying IFRS 16 on adoption was immaterial, it was accounted for in 2019 with no adjustment to the opening reserves.

Impact on the statement of financial position, the effect of adopting IFRS 16 were, as follows:

Notes to the financial statements - continued

2. Summary of significant accounting policies - continued

(i) Leases – continued

	2019
Right-of-use assets	£
Cost	
Buildings	678,923
Vehicles	222,633
Total	<u>901,555</u>
 Accumulated depreciation	
Buildings	69,278
Vehicles	101,223
Total	<u>170,501</u>
 Lease liabilities	
Within one year	217,137
Between one and five years	524,697
Total	<u>741,834</u>

(j) Debtors

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

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

(k) Employee benefits

(i) Pension obligations

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

(l) Foreign currency translation

(i) Functional and presentation currency

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

Notes to the financial statements - continued

2. Summary of significant accounting policies – continued

(l) Foreign currency translation - continued

(ii) Transactions and balances

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

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

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

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

(m) Financial assets

Classifications

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

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

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

(ii) Financial assets at amortised cost

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

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

Recognition and measurement

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

Notes to the financial statements - continued

2. Summary of significant accounting policies – continued

(m) Financial assets - continued

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

Impairment of financial assets

(i) Assets carried at amortised cost

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

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

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

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

(n) Inventory

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

(o) Cash at bank and in hand

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

(p) Called up share capital

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

(q) Trade and other creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements - continued

3. Critical accounting estimates and judgements

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

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

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

(ii) Critical accounting estimates and assumptions

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

Useful lives of depreciable assets

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

Recognition of deferred tax assets

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

4. Turnover

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

5. Operating profit

This is stated after charging:

	2020 £	2019 £
Staff costs (note 6)	3,747,242	3,964,980
Auditors' remuneration: audit of the Company's financial statements	179,205	12,131
Taxation compliance services	12,610	36,920
Depreciation of owned assets (note 11)	183,072	195,170
Depreciation of assets on finance leases (note 11)	233,836	170,501
Finance leases - interest payable	24,856	28,423

6. Staff costs

The payroll costs are allocated between cost of sales and administrative expense to reflect the nature of the activity undertaken. Under the caption "costs of sales", £3,747,242 (2019: £3,964,980) are recorded as payroll costs and are related to wages and salaries. Under the caption "administrative expenses", £Nil (2019: £25,683) were recorded and are related mainly to training expenses.

Notes to the financial statements - continued**6. Staff costs - continued**

The staff costs included within cost of sales is as follows:

	2020	2019
	£	£
Wages and salaries	3,176,762	3,285,677
Social Security Costs	317,560	456,615
Insurances	46,111	60,873
Pension costs	206,809	161,815
	<u>3,747,242</u>	<u>3,964,980</u>

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

	2020	2019
	No.	No.
Executive	1	1
Sales	13	13
Delivery	25	20
Operation/IT	9	7
Business Development	1	1
Administration	2	2
Finance	1	1
	<u>52</u>	<u>45</u>

7. Director's remuneration

	2020	2019
	£	£
Director emoluments	<u>93,333</u>	<u>175,000</u>

8. Interest receivable and similar income

	2020	2019
	£	£
Bank interest	268	3,848
Loan interest from group undertakings	44,031	50,042
Foreign exchange gain	65,646	154,136
	<u>109,945</u>	<u>208,026</u>

9. Taxation

	2020	2019
	£	£
<i>Current tax</i>		
UK corporation tax charge for the year	-	98,816
Adjustment in respect of previous period	-	8,106
Total current tax charge	<u>-</u>	<u>106,922</u>

Notes to the financial statements - continued

9. Taxation – continued

Deferred tax

Originating and reversal of timing difference	-	(32,654)
Adjustment in respect of previous period	-	6,233
Effects of changes in tax rates	-	5,425
Total deferred tax charge	-	(20,996)
Tax charge on profit on ordinary activities	-	85,926

	2020 £	2019 £
Profit on ordinary activities before tax	139,893	302,308
Profit on ordinary activities multiplied by the standard rate of Corporation	26,580	57,439
Tax in the UK of 19% (2019: 19%)		
Effects of:		
Expenses not deductible for tax purposes	(44,820)	8,723
Depreciation in excess of capital allowances	11,780	-
Adjustment in respect of previous period	-	8,106
Effect of changes in tax rate	-	5,425
Losses carried forward	6,460	-
Adjustment in respect of deferred tax in previous period	-	6,234
Total tax charge for the financial year	-	85,927

10. Intangible fixed assets

	2020 £	2019 £
Cost		
At 1 January 2020	506,115	506,115
Additions in the year	-	-
At 31 December 2020	506,115	506,115
Accumulated amortisation		
At 1 January 2020	506,115	506,115
Charge for the year	-	-
At 31 December 2020	506,115	506,115
Net book value		
At 31 December 2020	-	-

Notes to the financial statements - continued

11. Tangible fixed assets

	Fixtures & Fitting/Install Office	Machinery & Equipment	Terminals for rent	Office Equipment	Software	Right-of-use - Office	Right-of-use - Cars	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 January 2020	122,347	204,006	336,940	266,496	449,106	678,923	222,633	2,280,451
Additions in the year	-	11,299	76,964	7,363	13,809	-	9,826	119,261
Disposals in the year	(558)	-	-	-	-	-	-	(558)
Revaluation of leases	-	-	-	-	-	(23,144)	(9,470)	(32,614)
At 31 December 2020	121,789	215,305	413,904	273,859	462,915	655,779	222,990	2,366,541
Accumulated depreciation								
At 1 January 2020	48,049	188,932	188,136	196,120	436,767	69,278	101,223	1,228,505
Eliminated on disposal	(218)	-	-	-	-	-	-	(218)
Charge for the year	45,015	10,342	85,660	35,282	6,773	159,955	73,881	416,907
At 31 December 2020	92,846	199,274	273,796	231,402	443,540	229,233	175,104	1,645,195
Net book value								
At 31 December 2019	74,299	15,074	148,805	70,376	12,339	609,645	121,409	1,051,947
At 31 December 2020	28,944	16,031	140,108	42,457	19,375	426,547	47,885	721,346

The balances included under "revaluation of leases" relate to changes in interest rate to 4% to align with Planet Group incremental borrowing rate and cars leases extension (following COVID-19 Crisis and renegotiation with Lessor). The counterparty of 2020 adjustment has been recognized on Lease Liability side.

Notes to the financial statements - continued**12. Inventory**

	2020	2019
	£	£
Terminals	52,205	103,651

The year end inventory provision is £nil (2019: £nil).

13. Debtors - amounts falling due within one year

	2020	2019
	£	£
Amount owed by group undertakings	2,404,670	1,635,055
Trade debtors	1,213,234	2,186,610
Prepayments and accrued income	262,106	250,684
	<u>3,880,010</u>	<u>4,072,350</u>

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

Loans to Tribus S.A. are respectively composed of a short-term loan of 1,000,000 EUR, dated 1 March 2016 and bearing yearly interest of Euribor 3 months + 2.5% and a short-term loan of 469,000 EUR, dated 18 July 2016 are bearing interest of 0.25%. These loans and interest are respectively reimbursable in full by no later than 30 April 2021 and no later than 17 July 2021.

14. Deferred Taxation

	2020	2019
	£	£
Accelerated capital allowances	31,090	31,090
Unpaid pension liability	(34,570)	(34,570)
Trading losses carried forward	-	-
Net deferred (assets)/liability	<u>(3,480)</u>	<u>(3,480)</u>

Deferred tax (assets)/liabilities

At 1 January 2020	(3,480)	17,516
Originating and reversal of timing differences	-	(27,229)
Adjustment in respect of previous periods	-	6,233
Effect of changes in tax rates	-	-
At 31 December 2020	<u>(3,480)</u>	<u>(3,480)</u>

15. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	2,204,041	3,401,124

Notes to the financial statements - continued**16. Creditors - amounts falling due within one year**

	2020 £	2019 £
Amount due to group undertakings	2,675,647	3,055,379
Trade creditors	1,184,029	3,312,305
Lease liability	223,604	217,137
Other taxation and social security	527,263	495,543
Accruals and deferred income	1,409,234	608,208
	<u>6,019,777</u>	<u>7,688,573</u>

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

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

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

	2020 £	2019 £
Lease liability	<u>282,130</u>	<u>524,697</u>

18. Called up share capital

	2020 £	2019 £
Authorised		
100 (2019: 100) ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
2 (2019: 2) ordinary shares of £1 each	2	2

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

19. Dividends

	2020 £	2019 £
Dividend paid in the year on ordinary shares	<u>-</u>	<u>200,000</u>
Dividend per share (2 ordinary shares)	<u>-</u>	<u>100,000</u>

Notes to the financial statements - continued

20. Events since year end

On 21 October 2021 the Ultimate Parent, Eurazeo S.E., sold a substantial percentage of its stake in Planet Group to Advent International. Following this transaction Advent International and Eurazeo S.E. now co-control Planet Group.

21. Related parties

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

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

22. Ultimate parent undertaking and controlling party

At 31 December 2020 the company's immediate parent company was 3C Payment Luxembourg S.A., a company incorporated in Luxembourg which is owned by Tribus S.A.

On 31 July 2020, the shares of Tribus S.A were acquired by Planet Payment Group Holdings Limited. The ultimate parent and controlling party is now Franklin Ireland Topco Limited.

The smallest group in which the results of 3C Payment UK Limited are consolidated is that headed by Franklin Ireland Topco Limited. Copies of the Franklin Ireland Topco Limited consolidated financial statements can be obtained from the company secretary at Arthur Cox Building, Earlsfort Terrace, Dublin 2.

The controlling party was Eurazeo S.E., a company incorporated in France prior to the sale of a substantial portion of its stake to Advent International (note 20).

23. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 23 March 2022 and were signed on its behalf on that date.