

Registered number: 03736624

ONE TWO THREE SEND LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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ONE TWO THREE SEND LIMITED

COMPANY INFORMATION

Director	J Carr
Registered number	03736624
Registered office	Suite 3 40 Churchill Square Kings Hill West Malling Kent ME19 4YU
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG

ONE TWO THREE SEND LIMITED

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ONE TWO THREE SEND LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The director presents his report and the financial statements for the year ended 31 December 2021.

Director's responsibilities statement

The director is responsible for preparing the Director's report 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 applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company 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;
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Director

The director who served during the year was:

J Carr

ONE TWO THREE SEND LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Going concern

The financial statements have been prepared on the going concern basis on the assumption that the Company continues in operational existence for the foreseeable future. The director has prepared detailed short terms and long term cash flow forecasts based on their current expectations of trading prospects. The Company has also obtained a letter of support from its parent and the director is satisfied over the ability and intent of such financial support. Accordingly the director has concluded that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

The director is confident that the Company's forecasts are achievable, and is committed to taking any actions available to them to ensure that any shortfall in forecast revenues is mitigated by adjustments to the sales strategy and cost savings, recognising the restructuring work that has already occurred in the Company over the last 2 years which has already introduced a much greater resilience into the Company's business model. The director has looked at the continued impact of COVID-19 pandemic and recent economic and political developments, and has embedded current impacts and forecast future impacts into its integrated financial planning model. Accepting that the payments industry stands better prepared to benefit from any recovery as compared to other sectors, a conservative approach has been taken to future performance in 2022 and beyond, based on observable market parameters and those observable internally from the performance of the business and of the merchants executing payments across its platforms. Taking all these elements into consideration, they remain confident that the Company has sufficient resources for a period of at least one year from the signing of these financial statements.

Accordingly the going concern basis of accounting has been adopted in preparing these financial statements.

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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 auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

John Carr

J Carr
Director

Date: 9 August 2022

ONE TWO THREE SEND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ONE TWO THREE SEND LIMITED

Opinion

We have audited the financial statements of One two three Send Limited (the 'company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, Balance sheet, Statement of changes in equity and the Notes to the financial statements, including a summary of significant accounting policies, set out on pages 8 to 25. 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 Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

ONE TWO THREE SEND LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ONE TWO THREE SEND LIMITED
(CONTINUED)**

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit, Covid-19 and the Russia Ukraine conflict we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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.

The responsibilities of the director with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The director is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ONE TWO THREE SEND LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ONE TWO THREE SEND LIMITED
(CONTINUED)**

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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the Director's responsibilities statement on page 1, 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 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 director is 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 director either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

ONE TWO THREE SEND LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ONE TWO THREE SEND LIMITED
(CONTINUED)**

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. This description forms part of our Auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries throughout our audit work.
- We assessed the susceptibility of the Company's Financial Statements to material misstatement, including how fraud might occur by meeting with management from relevant parts of the business to understand where management considered there was a susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage earnings or influence the perceptions of analysts.
- Audit procedures performed by the engagement team included:
 - evaluation of the programmes established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions; and
 - identifying and testing related party transactions
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates; and
 - understanding of the legal and regulatory requirements specific to the entity/regulating entity including:
 - the provisions of the applicable legislation;
 - the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules; and
 - the applicable statutory provisions
- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

ONE TWO THREE SEND LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ONE TWO THREE SEND LIMITED
(CONTINUED)**

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 an Auditor's report 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.

Grant Thornton UK LLP

Anthony Thomas FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants,
London, UK

9 August 2022

ONE TWO THREE SEND LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	1,932,385	2,417,153
Cost of sales		(519,273)	(484,950)
Gross profit		1,413,112	1,932,203
Administrative expenses		(2,607,099)	884,791
Exceptional other operating charges	10	-	(185,939)
Operating (loss)/profit	5	(1,193,987)	2,631,055
Interest payable and similar expenses	8	(11,765)	(2,097)
(Loss)/profit before tax		(1,205,752)	2,628,958
Tax on (loss)/profit	9	23,751	18,164
(Loss)/profit for the financial year		(1,182,001)	2,647,122

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 11 to 25 form part of these financial statements.

ONE TWO THREE SEND LIMITED
REGISTERED NUMBER:03736624

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	11	-	186,676
Tangible assets	12	225,147	217,284
		<u>225,147</u>	<u>403,960</u>
Current assets			
Debtors	13	968,990	1,153,231
Cash at bank and in hand	14	82,186	6,551
		<u>1,051,176</u>	<u>1,159,782</u>
Creditors: amounts falling due within one year	15	(3,748,535)	(2,853,953)
Net current liabilities		<u>(2,697,359)</u>	<u>(1,694,171)</u>
Total assets less current liabilities		<u>(2,472,212)</u>	<u>(1,290,211)</u>
Net liabilities		<u>(2,472,212)</u>	<u>(1,290,211)</u>
Capital and reserves			
Called up share capital	17	432,000	432,000
Share premium account	18	55,000	55,000
Profit and loss account	18	(2,959,212)	(1,777,211)
		<u>(2,472,212)</u>	<u>(1,290,211)</u>

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

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

John Carr

J Carr
 Director
 Date: 9 August 2022

The notes on pages 11 to 25 form part of these financial statements.

ONE TWO THREE SEND LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2021	432,000	55,000	(1,777,211)	(1,290,211)
Loss for the year	-	-	(1,182,001)	(1,182,001)
Total comprehensive income for the year	-	-	(1,182,001)	(1,182,001)
At 31 December 2021	432,000	55,000	(2,959,212)	(2,472,212)

The notes on pages 11 to 25 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2020	432,000	55,000	(4,424,333)	(3,937,333)
Profit for the year	-	-	2,647,122	2,647,122
Total comprehensive income for the year	-	-	2,647,122	2,647,122
At 31 December 2020	432,000	55,000	(1,777,211)	(1,290,211)

The notes on pages 11 to 25 form part of these financial statements.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

The principal activity of the company during the year was the leasing and sale of payment terminals.

The company is a private limited company which is incorporated and registered in England and Wales (03736624). The address of the registered office is:

Suite 3
40 Churchill Square
Kings Hill
West Malling
Kent
ME19 4YU

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The company's functional and presentational currency is GBP.

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of CR7 Services Limited as at 31 December 2021 and these financial statements may be obtained from Companies House.

The company has taken advantage of the exemption available under section 400 of the Companies House 2006 from producing consolidated accounts on the basis that the company is included in the consolidated accounts of a larger group (CR7 Services Limited).

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis on the assumption that the Company continues in operational existence for the foreseeable future. The Director has prepared detailed short terms and long term cash flow forecasts based on their current expectations of trading prospects. The Company has also obtained a letter of support from its parent and the Directors are satisfied over the ability and intent of such financial support. Accordingly the Director has concluded that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

The director is confident that the Company's forecasts are achievable, and is committed to taking any actions available to them to ensure that any shortfall in forecast revenues is mitigated by adjustments to the sales strategy and cost savings, recognising the restructuring work that has already occurred in the Company over the last 2 years which has already introduced a much greater resilience into the Company's business model. The director has looked at the continued impact of COVID-19 pandemic and recent economic and political developments, and has embedded current impacts and forecast future impacts into its integrated financial planning model. Accepting that the payments industry stands better prepared to benefit from any recovery as compared to other sectors, a conservative approach has been taken to future performance in 2022 and beyond, based on observable market parameters and those observable internally from the performance of the business and of the merchants executing payments across its platforms. Taking all these elements into consideration, they remain confident that the Company has sufficient resources for a period of at least one year from the signing of these financial statements.

Accordingly the going concern basis of accounting has been adopted in preparing these financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss 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 Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.5 Turnover

Turnover comprises the aggregate of sales and leasing of payment terminals, and the rendering of services related to payment terminals. Turnover is recognised according to the type of contract and transaction involved as detailed below.

No turnover is recognised if there is significant uncertainty regarding (i) the recoverability of the consideration due or (ii) the possible return of goods when the customer has the right to cancel the purchase, or (iii) when the company has continuing management involvement with the goods.

Turnover from the sales of terminals is recognised as income when significant risks and rewards of ownership of the goods have been transferred to the buyer.

Turnover from operating leases is recognised as income on a straight-line basis over the lease term. The payment terminals relating to the operating leases are capitalised and depreciated over the term of the lease, as detailed in note 2.14.

2.6 Operating leases: the Company as lessee

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

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

2.7 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.10 Interest income

Interest income is recognised in the Statement of Comprehensive income using the effective interest method.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.13 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.14 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Leasehold improvements	- Over the term of the lease on a straight line basis
Fixtures and fittings	- Over 2 years on a straight line basis
Office equipment	- Over 2 years on a straight line basis
Payment terminals	- Over the life of the contract to which the payment terminal relates

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive income.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.15 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Debtors

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

2.18 Cash and cash equivalents

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

2.19 Creditors

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

2.20 Financial instruments

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

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis and revisions to accounting estimates are recognised in the period in which the estimate is revised. Significant judgement and estimates are necessary in relation to the following matters:

(a) Judgements

There were no significant accounting judgements made in the preparation of these accounts.

(b) Estimates

Value and estimated useful life of intangible assets

Costs of development are capitalised if management are satisfied that economic benefits will accrue from the development. The expected useful life of intangible assets is determined based on the relevant factors, such as legal, regulatory, or contractual provisions and historical experience. Management monitor the development pipeline and ensure sufficient commercial opportunities are crystallised to justify the estimate.

Accrued income

Accrued income largely relates to development fees earned but not billed, taking into account the extent to which development has been completed. Management monitor development progress in conjunction with customer expectations to ensure accrued income is estimated as accurately as possible.

Accounts receivable and allowances for doubtful accounts

Using information available at the balance sheet date, the management make judgements based on experience regarding the level of provision required to account for potentially uncollectible receivables.

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Turnover relating to the sale and leasing of payment terminals	1,932,385	2,417,153
	<u>1,932,385</u>	<u>2,417,153</u>

All turnover arose within the United Kingdom.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Operating (loss)/profit

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

	2021	2020
	£	£
Exchange differences	-	237
Management charge from other group companies	(439,660)	-
Other operating lease rentals	(5,000)	(3,283)
Movement on Impairment provision - amounts due from group undertakings	-	(7,561,310)
Amounts due from group undertakings written off	-	5,506,419
	<u> </u>	<u> </u>

In 2020 the amounts due from group undertakings were written off resulting in a loss. Certain of these loans had previously been impaired and at the point of the associated loans being written off the impairment provisions were removed, resulting in a gain.

6. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	31,680	18,750
	<u> </u>	<u> </u>
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	2,500	2,000
	<u> </u>	<u> </u>
	2,500	2,000
	<u> </u>	<u> </u>

7. Employees

The average monthly number of employees, including the director, during the year was as follows:

	2021	2020
	No.	No.
Directors	1	1
Administration	38	15
	<u> </u>	<u> </u>
	39	16
	<u> </u>	<u> </u>

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Interest payable and similar expenses

	2021	2020
	£	£
Other interest payable	11,765	2,097
	<u>11,765</u>	<u>2,097</u>

9. Taxation

	2021	2020
	£	£
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(23,751)	(18,164)
Total deferred tax	<u>(23,751)</u>	<u>(18,164)</u>
Taxation on loss on ordinary activities	<u>(23,751)</u>	<u>(18,164)</u>

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
(Loss)/profit on ordinary activities before tax	<u>(1,205,752)</u>	<u>2,628,958</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(229,093)	499,502
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	41,464	1,046,640
Capital allowances for year in excess of depreciation	(11,036)	103
Income not taxable for tax purposes	-	(1,437,357)
Adjustments to deferred tax in respect of prior periods	3	-
Remeasurement of deferred tax for changes in tax rates	(137,599)	(24,539)
Movement in deferred tax not recognised	312,510	-
Deferred tax acquired on hive up of subsidiary company	-	10,322
Other differences leading to an increase (decrease) in the tax charge	-	(15,059)
Group relief	-	(97,776)
Total tax charge for the year	<u><u>(23,751)</u></u>	<u><u>(18,164)</u></u>

Factors that may affect future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

10. Exceptional items

	2021 £	2020 £
Restructuring costs	-	185,939
	<u>-</u>	<u>185,939</u>

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Intangible assets

	Goodwill £
Cost	
At 1 January 2021	186,676
At 31 December 2021	186,676
Amortisation	
Impairment charge	186,676
At 31 December 2021	186,676
Net book value	
At 31 December 2021	-
At 31 December 2020	186,676

On 31 December 2020 the business of One Two Three Hire Limited was hived up into One Two Three Send Limited at net asset value. The investment of One Two Three Hire Limited was reduced to the intercompany balance by transfer to goodwill. In 2021 the goodwill was impaired fully.

ONE TWO THREE SEND LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Payment terminals £	Total £
Cost or valuation				
At 1 January 2021	2,477	26,350	1,683,360	1,712,187
Additions	27,936	143,439	38,853	210,228
Disposals	-	-	(689,177)	(689,177)
At 31 December 2021	30,413	169,789	1,033,036	1,233,238
Depreciation				
At 1 January 2021	1,961	5,490	1,487,452	1,494,903
Charge for the year on owned assets	9,885	37,272	148,753	195,910
Disposals	-	-	(682,722)	(682,722)
At 31 December 2021	11,846	42,762	953,483	1,008,091
Net book value				
At 31 December 2021	18,567	127,027	79,553	225,147
At 31 December 2020	516	20,860	195,908	217,284

13. Debtors

	2021 £	2020 £
Trade debtors	105,794	192,403
Amounts owed by group undertakings	547,219	686,337
Other debtors	10,439	5,000
Prepayments and accrued income	44,716	32,420
Deferred taxation	260,822	237,071
	968,990	1,153,231

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	82,186	6,551
	<u>82,186</u>	<u>6,551</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	319,588	218,615
Amounts owed to group undertakings	2,921,413	1,835,689
Other taxation and social security	257,889	520,906
Other creditors	7,555	1,715
Accruals and deferred income	242,090	277,028
	<u>3,748,535</u>	<u>2,853,953</u>

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

16. Deferred taxation

	2021 £	2020 £
At 1 January	237,071	208,583
Charged to profit or loss	23,751	18,164
Acquired upon hive up of subsidiary company	-	10,324
At 31 December	<u>260,822</u>	<u>237,071</u>

The deferred tax asset is made up as follows:

	2021 £	2020 £
Other short term timing differences	260,822	237,071
	<u>260,822</u>	<u>237,071</u>

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
432,000 (2020 - 432,000) Ordinary shares of £1.00 each	432,000	432,000

18. Reserves**Share premium account**

Represents the amount received in excess of the par value on the issued share capital.

Profit and loss account

Represents accumulated profit and losses since date of incorporation less distributions to shareholders.

19. Pension commitments

The company 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 £26,768 (2020: £15,406). Contributions totaling £7,555 (2020: £1,715) were payable to the fund at the Balance Sheet date.

20. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	-	96,872
Later than 1 year and not later than 5 years	-	92,084
	-	188,956

21. Related party transactions

Exemption from disclosing transactions with other group companies has been claimed in accordance with Section 33 of FRS 102, where subsidiaries are wholly owned and their results are included within the consolidated financial statements of CR7 Services Limited.

22. Post balance sheet events

There are no post balance sheet events to disclose.

ONE TWO THREE SEND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. Ultimate parent undertaking and controlling party

The immediate parent undertaking and the smallest group to consolidate these financial statements is CR7 Services Limited, a company incorporate in the United Kingdom. Copies of the CR7 Services Limited financial statements can be obtained from 10 Lower Grosvenor Place, London, United Kingdom, SW1W 0EN.

As at 31 December 2021, the ultimate parent undertaking and the largest group to consolidate these financial statements was DNA Topco Limited, a company incorporated in the United Kingdom. Copies of the DNA Topco Limited financial statements can be obtained from 10 Lower Grosvenor Place, London, United Kingdom, SW1W 0EN.