

**E-MONEY CAPITAL LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

# E-MONEY CAPITAL LIMITED

## COMPANY INFORMATION

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Directors	J M Kennard J S Ferrando M A V De Candole
Registered number	04861007
Registered office	5 Fleet Place London England EC4M 7RD
Independent auditors	Warrener Stewart Chartered Accountants & Statutory Auditors Harwood House 43 Harwood Road London SW6 4QP

E-MONEY CAPITAL LIMITED

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# **E-MONEY CAPITAL LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

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

### **Directors**

The directors who served during the year were:

J M Kennard  
J S Ferrando  
M A V De Candole

### **Directors' responsibilities statement**

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

### **Principal activity**

The principal activity of the company is that of the provision of financial intermediary services.

### **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 the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

# **E-MONEY CAPITAL LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **Auditors**

The auditors, Warrener Stewart, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### **Small companies note**

In preparing this report, the directors have 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.

.....  
**M A V De Candole**

Director

Date: 23 April 2020

# E-MONEY CAPITAL LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF E-MONEY CAPITAL LIMITED

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### Opinion

We have audited the financial statements of E-Money Capital Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

# E-MONEY CAPITAL LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF E-MONEY CAPITAL LIMITED (CONTINUED)

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### Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### 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.

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

# E-MONEY CAPITAL LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF E-MONEY CAPITAL LIMITED (CONTINUED)

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### Use of our report

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Colin Edney (Senior Statutory Auditor)

for and on behalf of

**Warrener Stewart**

Chartered Accountants & Statutory Auditors

Harwood House

43 Harwood Road

London

SW6 4QP

23 April 2020



# E-MONEY CAPITAL LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

		2019 £	2018 £
Turnover	2	801,051	306,465
<b>Gross profit</b>		<b>801,051</b>	<b>306,465</b>
Administrative expenses		(1,824,171)	(1,779,578)
<b>Operating loss</b>		<b>(1,023,120)</b>	<b>(1,473,113)</b>
Income from shares in group undertakings		100,000	-
Interest receivable and similar income	2	16,864	1,448
Interest payable	2	(7)	(22)
<b>Loss before tax</b>		<b>(906,263)</b>	<b>(1,471,687)</b>
Tax on loss		-	58,341
<b>Loss for the financial year</b>		<b>(906,263)</b>	<b>(1,413,346)</b>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 9 to 16 form part of these financial statements.

**E-MONEY CAPITAL LIMITED**

REGISTERED NUMBER:04861007

**BALANCE SHEET  
AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	4	155,209	275,209
Tangible assets	5	1,520	-
Investments	6	8,006	8,006
		<u>164,735</u>	<u>283,215</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	857,631	1,263,327
Cash at bank and in hand	8	33,880	380,733
		<u>891,511</u>	<u>1,644,060</u>
Creditors: amounts falling due within one year	9	(348,741)	(313,507)
<b>Net current assets</b>		<u>542,770</u>	<u>1,330,553</u>
<b>Net assets</b>		<u><u>707,505</u></u>	<u><u>1,613,768</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	68,727	68,727
Share premium account		3,602,748	3,602,748
Profit and loss account		(2,963,970)	(2,057,707)
		<u><u>707,505</u></u>	<u><u>1,613,768</u></u>

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

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

.....  
**M A V De Candole**  
Director

Date: 23 April 2020

The notes on pages 9 to 16 form part of these financial statements.

# E-MONEY CAPITAL LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 1 January 2018</b>	<b>65,437</b>	<b>1,814,116</b>	<b>(644,361)</b>	<b>1,235,192</b>
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(1,413,346)	(1,413,346)
Shares issued during the year	3,290	1,788,632	-	1,791,922
<b>At 1 January 2019</b>	<b>68,727</b>	<b>3,602,748</b>	<b>(2,057,707)</b>	<b>1,613,768</b>
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(906,263)	(906,263)
<b>At 31 December 2019</b>	<b>68,727</b>	<b>3,602,748</b>	<b>(2,963,970)</b>	<b>707,505</b>

The notes on pages 9 to 16 form part of these financial statements.

# E-MONEY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1. General information

E-Money Capital Ltd (company number 04861007) is a private company limited by shares and incorporated in England. Its registered office is 5 Fleet Place, London, England, EC4M 7RD.

### 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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The financial statements are prepared on a going concern basis.

Although the Company realised a loss for the year, this was after continuing investment in marketing and platform development and the increase in revenues means that losses are reducing.

The Company is projected to incur further, but reduced losses in the current financial year and to move into profitability in 2021 and beyond. In the mean time, the business enjoys a strong capital base and considerable support from its investors.

In view of the above, the directors consider the going concern basis to be applicable to the preparation of the Company's financial statements.

#### 2.3 Revenue

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

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

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

# E-MONEY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.4 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

#### 2.5 Interest income

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

#### 2.6 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.7 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income 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.

#### 2.8 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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.

# E-MONEY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.9 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.

#### 2.10 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:

Computer equipment	-	25% per annum
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

#### 2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.12 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.

#### 2.13 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.

#### 2.14 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.

# E-MONEY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 2. Accounting policies (continued)

#### 2.15 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.

### 3. Employees

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

### 4. Intangible assets

	Website costs £
<b>Cost</b>	
At 1 January 2019	365,209
At 31 December 2019	365,209
<b>Amortisation</b>	
At 1 January 2019	90,000
Charge for the year on owned assets	120,000
At 31 December 2019	210,000
<b>Net book value</b>	
At 31 December 2019	155,209
<b>At 31 December 2018</b>	275,209

# E-MONEY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 5. Tangible fixed assets

	Computer equipment £
<b>Cost or valuation</b>	
Additions	1,983
	<hr/>
At 31 December 2019	1,983
	<hr/>
<b>Depreciation</b>	
Charge for the year on owned assets	463
	<hr/>
At 31 December 2019	463
	<hr/>
<b>Net book value</b>	
At 31 December 2019	1,520
	<hr/>
<i>At 31 December 2018</i>	-
	<hr/>



# E-MONEY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 6. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2019	8,006
At 31 December 2019	8,006

### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
E-Money Limited	England	Ordinary	100 %
euroFX Capital Ltd	England	Ordinary	100 %
Regulated Ventures Ltd	England	Ordinary	100 %
E-Money Security Trustee Ltd	England	Ordinary	100 %
Digital Securities Ltd	England	Ordinary	100 %
E-Money Franchise Ltd	England	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
E-Money Limited	1	1
euroFX Capital Ltd	1	1
Regulated Ventures Ltd	1	1
E-Money Security Trustee Ltd	1	1
Digital Securities Ltd	1	1
E-Money Franchise Ltd	1	1

euroEX Capital Ltd, Regulated Ventures Ltd, E-Money Security Trustee Ltd, Digital Securities Ltd and E-Money Franchise Ltd did not trade during the year. The companies received no income and incurred no expenditure and therefore made neither profit or loss.

# E-MONEY CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 7. Debtors

	2019 £	2018 £
Amounts owed by group undertakings	46,000	268,533
Other debtors	361,363	737,789
Prepayments and accrued income	450,268	257,005
	<u>857,631</u>	<u>1,263,327</u>

### 8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>33,880</u>	<u>380,733</u>

### 9. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	140,768	194,310
Amounts owed to group undertakings	5	-
Other taxation and social security	12,486	4,499
Other creditors	483	228
Accruals and deferred income	194,999	114,470
	<u>348,741</u>	<u>313,507</u>

### 10. Share capital

	2019 £	2018 £
<b>Authorised, allotted, called up and fully paid</b>		
168,222 (2018 - 168,222) Ordinary Voting shares of £0.100 each	16,822	16,822
490,000 (2018 - 490,000) A Ordinary shares of £0.100 each	49,000	49,000
10,750 (2018 - 10,750) B Ordinary shares of £0.001 each	11	11
28,940 (2018 - 28,940) Ordinary Non Voting shares of £0.100 each	2,894	2,894
	<u>68,727</u>	<u>68,727</u>

# **E-MONEY CAPITAL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **11. Pension commitments**

The Company operates a defined contributions 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 £2,442 (2018 - £943). Contributions totalling £483 (2018 - £228) were payable to the fund at the balance sheet date and are included in creditors.

### **12. Post balance sheet events**

Because of the COVID-19 pandemic the second quarter of 2020 is experiencing an impact on financial markets and day to day working. As a result, a series of precautionary and control measures has been implemented and the Board is paying close attention to the development of the pandemic and its potential impact on the business. Demand for specialist lending is likely to remain strong in the medium term. The company has brought into play business continuity measures such as remote working and the Board is not currently aware of any material adverse impact on the 2019 financial statements as a result of the COVID-19 pandemic.

### **13. Controlling party**

M A V De Candole is the controlling shareholder of E-Money Capital Ltd.

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