

**PXP FINANCIAL LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**PXP FINANCIAL LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	K J Woodhead (resigned 21 March 2022) J R Bell K Hedjri K M C Richter-Weiss (appointed 25 January 2023)
<b>Registered number</b>	05433326
<b>Registered office</b>	The Corn Mill 1 Roydon Road Stanstead Abbots Hertfordshire SG12 8XL
<b>Independent auditors</b>	Price Bailey LLP Chartered Accountants & Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

**PXP FINANCIAL LIMITED**

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## PXP FINANCIAL LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

#### Organisational overview

PXP Financial Limited is part of the PXP Financial Group. The principal activity of PXP Financial Limited "the Company" is to provide payment services to businesses accepting electronic payments. In order to carry out that activity, the Company is regulated and licensed as a Payment Institution by the Financial Conduct Authority (FCA). It is a principal Member of Visa and MasterCard and is PCI DSS compliant. The Company also works with strategic partners to help to deliver this service.

#### Business model

PXP Financial Limited is a complete, end to end payment service that helps businesses make and receive payments online globally and at Point of Sale terminals. PXP Financial Limited gives access to a wide variety of payment options including card payments and alternative payments and manages the entire payment flow in a secure environment for both its customers and its customers' customers.

The Company regards its operations as being split into three main business areas:

- Global Gateway - providing a technical e commerce payment gateway to merchants to connect them with payment providers in a safe and secure manner as well as providing consolidated risk, reconciliation and reporting services.
- Card Acquiring - Processing Visa, MasterCard and Maestro branded credit and debit card transactions in eleven settlement currencies (EUR, USD, GBP, CHF, AUD, CAD, SEK, NOK, DKK, JPY, PLN).
- Settlement Services - processing transactions via direct connections to over 25 alternative payment methods, providing a single combined settlement to merchants to enable them to offer a wide variety of alternative payment methods to customers without the need to contract and reconcile with those providers individually.

PXP Financial Limited offers merchants a robust technical solution that allows it to operate 24 hours a day, 365 days a year, safely, securely and continuously.

#### Strategy

The Company maintains an ongoing focus on development of its payments platform, as well as its products and services, to continually strengthen its brand and appeal to customers, and to build on its ambitions, strengthen its position in the market and grow its geographical footprint. The Company is also committed to providing excellent customer service and developing long term partnerships with its customers, building on its services and driving efficiency through further automation, and providing enhanced reporting and other value add services to its customers.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Performance Assessment, financial review and key performance indicators**

A key performance indicator for PXP Financial Limited is that of processed transaction volumes, which have increased by 26% (31 December 2021: increase by 28%) from prior year.

At the start of 2019, the Board of Directors agreed a 3 year strategic and financial plan for the Company with the PXP Group's shareholder, with a key focus on growing the business through winning new customers and business, broadening the products and services offered to customers, and expanding the business's geographical footprint. This plan also focused on further investment in the business, building capacity and capability in key control and customer facing functions, and increasing the financial performance and returns generated.

In March 2022, the sale of the Company's parent company, PXP Financial Group Limited (and its subsidiaries including PXP Financial Limited) completed resulting in a change in the Shareholders of the Group. As a result, the management team of the Company and broader PXP Financial Group engaged in discussion with the new Shareholders on the overall strategy and direction of the Company. In addition, changes in the management team were made during 2022, strengthening the existing team in key areas.

Following discussion with the new Shareholders it was agreed that the Company's overall focus and strategic plan would remain broadly unchanged, with a focus on winning new customers, developing new products and services, expanding the Company's geographical coverage, and cross- and up-sell of additional services to the Company's existing customers.

Delivering against the original plan was significantly impacted by BREXIT and to some extent, the COVID 19 pandemic. The Company operates with a licence issued by the FCA as an Authorised payment institution in the UK which until the end of 2020 via passporting rights, also allowed access to an additional 30 countries in Europe. The UK departed the European Union on 31 January 2020 with the transitionary period ending on 31 December 2020. In addition to the delays in the negotiations and signing of the Brexit trade deal only being finalised in late December 2020 this deal lacked a clear agreement covering financial services businesses and the Company was no longer able to passport its licence to provide regulated services to customers in the EEA.

As a result of this, the Directors took the decision to implement the BREXIT contingency plan in late December 2020. Under this plan, PXP Financial Limited transferred its EEA customer portfolio to a partner with an Electronic Money Institution ("EMI") license regulated by the Bank of Lithuania, which allowed the partner firm to passport provision of payment services to all EU and EEA/EFTA countries. This plan allowed PXP Financial Limited to continue to earn revenue related to these customers by providing relevant services to the EU licenced partner under an arm's length intercompany services agreement.

In June 2021 the EMI license of the partner was revoked by the Bank of Lithuania as a result of issues which it identified had occurred during the first half of 2020. None of the issues which were identified by the Bank of Lithuania related to the operation of PXP Financial Limited's former EEA customer portfolio given this was not transferred until the end of 2020. Furthermore, the partner was not part of the PXP Financial Group and as such its management, governance and operation was entirely separated from the PXP Financial Group and the Company. The revocation of the partner's license meant that it could no longer offer services to PXP Financial Limited's former EEA customer portfolio and as a result these customers were migrated to alternative EU licensed payment providers.

This inevitably had a financial impact on the Company following this event in June 2021, due to the loss of subsequent revenue earned under the intercompany services agreement. The Board took immediate action to mitigate this loss of revenue and commenced discussions with a partner which holds a Payment Service Provider licence regulated by the Financial Market Authority in Austria and, which under passporting rules, allows it to provide services to customers across the EEA. The Company signed a master agreement with the partner during 2022 to provide the Company with access to a licence under which it can offer services to EEA customers via its partner and under which the Company sponsors the partner as an affiliate Scheme member via its principal memberships of Visa, Mastercard and Discover Diners.

Provision of Acquiring services to EEA customers via this partnership went live in Q3 2022 with a number of new customers onboarded prior to the end of 2022. While the contribution to the Company's FY 2022 revenues from this new partnership was relatively modest, the Company has a significant pipeline of new EEA customer

## **PXP FINANCIAL LIMITED**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

opportunities and expects to see a ramp up of new customers onboarded during 2023 which will positively impact the financial performance and revenue of the Company.

Given the significant increases in cost inflation which began to emerge during the year, the Board took a decision to undertake work focused on delivering additional operational synergies and efficiencies and to identify opportunities to streamline the Company's overhead costs, while maintaining a focus on operational and customer service, and product developments and enhancements.

#### **Principal risks and uncertainties**

Risk management is an integral part of managing our business and the PXP Group formally maintains and reviews its risk register on a regular basis. Due to the nature of the financial products offered, a key risk to the Company is the possibility of money laundering and fraud by external parties. In order to mitigate these risks, the Company has robust policies and procedures in place.

#### **IT Risk**

The Company is exposed to significant IT risks through the operation of its trading activities on a proprietary e payment platform which it licences from PXP Financial Group Limited.

#### **Credit Risk**

Credit risk is the risk of financial loss to the Company that a customer or payment service provider will fail to meet their contractual obligations. The Company mainly has agreements with merchants to provide net settlement whereby the Company's fees and charges are deducted before funds are settled to the merchant. This helps to reduce the risk to the Company, however there may be arrangements in place where the Company settles funds prior to receiving them or is obligated to settle funds not yet received from other payment service providers. In specific instances where credit is provided through pre funding, flexible payment terms are agreed and these are monitored by the Company in order to reduce the risk.

#### **Foreign Exchange Risk**

PXP Financial Limited aggregates and acquires transactions in multiple currencies. Wherever possible the Company will receive settlements from payment providers and card schemes in the same currency as the underlying transaction and will settle in this currency to its merchants. Some merchants may request settlement in a currency different from the underlying transaction and the Company is able to generate foreign exchange income from providing this service via a margin applied to the currency exchange rates applied to the settlement balance.

Foreign exchange risk also occurs when transactions are entered into which are not denominated in the functional currency of the Company. PXP Financial Limited aims to mitigate against this risk by naturally hedging its assets and liabilities.

#### **Liquidity risk**

PXP Financial Limited maintains sufficient cash and liquid resources to cover likely future settlements. We also have the backing of the PXP Financial Group as well as of the Ultimate parent if required. Amounts owed to the group are non current liabilities.

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Emerging risk**

As well as assessing ongoing risk, we also consider how the business could be affected by emerging risks over the longer term. These are risks which may develop but have a greater level of uncertainty attached to them. It is often possible to predict the potential impacts of emerging risks, but less possible to predict their likelihood, timing and velocity.

The global coronavirus pandemic involving the spread of COVID 19 presented a number of different risks to the business through 2020 and 2021. Given the success of COVID vaccination programmes and easing of the COVID measures and restrictions the material risks due to COVID had substantially reduced by the start of 2022, with the situation broadly returning to a more normalised pre-COVID position. It is the Board's view that the business will remain resilient and continue to mitigate further COVID risks should they arise.

A new emerging risk to the business relates to the global increase in inflation and general costs. This was exacerbated by Russia's invasion of Ukraine in early 2022, however has been also attributed to the impact on global supply chains of the COVID pandemic as well as the ongoing impacts of climate change and global warming. Given the complexity and likely combined causes of the significant increases in prices and inflation, in the Directors' view, it is not possible to identify one of the above factors as being the single underlying cause.

The Company, along with the vast majority of businesses and individuals, has seen an impact of the global increase in costs, with the main impacts being in relation to staff cost inflation and energy prices as well as an increased rate of annual increases in other overhead costs. The Directors have taken steps to manage the impact of this, through actions to manage overall operating costs and identify cost efficiencies, as well as looking at opportunities to revise pricing of services provided by the Company to both new and existing customers. The Directors will continue to monitor the ongoing impacts of cost inflation and will take further measures as required. In their view, the overall rate of inflation will reduce over time including as a result of actions taken by Central Banks to increase interest rates as one of the measures available to them to bring down the headline rate of inflation.

**Corporate governance**

As an FCA licenced payment institution, we are obliged to abide by their regulations. PXP Financial Limited has established compliance and risk management processes through the use of workshops, committees and regular, timely reporting to ensure that risks are identified, monitored and controlled on an on going basis and that significant risks are escalated to the Board of directors when necessary. The Board considers that the Company has complied with these regulations throughout the year.

**Directors' statement of compliance with duty to promote the success of the Company**

The directors, both collectively and individually, consider that they have always acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and whilst having regard for the stakeholders and other matters (as set out in s172(1) (a) (f) of the Companies Act 2006).

Stakeholder engagement is fundamental to all Board level discussions, our decision making process and successfully building a sustainable business model. In taking actions, the Board has consideration and regards, amongst other matters, to:

- the likely consequences of any decision in the long term;
- ensuring ongoing compliance with all of the Company's regulatory and legal obligations;
- the interest of the Company's shareholders;
- the interests of the Company's employees;
- the need to develop and maintain effective business relationships with suppliers, customers and others;
- the need to act fairly with all internal and external stakeholders.

**PXP FINANCIAL LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

**J R Bell**

Director

Date: 27 September 2023



## PXP FINANCIAL LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

#### **Directors**

The Directors who served during the year were:

K J Woodhead (resigned 21 March 2022)  
J R Bell  
K Hedjri

#### **Results and dividends**

The loss for the year, after taxation, amounted to €2,866,946 (2021 - loss €1,101,477).

The Directors consider the state of the company's affairs during the year and the financial position at the end of the year to be satisfactory. The Directors do not recommend the payment of a dividend.

#### **Future developments**

The Directors anticipate no significant changes in the company's activities in the foreseeable future.

#### **Engagement with suppliers, customers and others**

Building long term and effective relationships with the Company's customers and suppliers is a key focus area and the Board believes this is critical to delivering on long term sustainable growth and success of the business.

#### ***Customer engagement***

Building strong and long term relationships with customers is a key priority for the Company. The Board strongly believes that a focus on excellent service and engagement with customers is a way in which the Company can differentiate itself and build long term relationships with its customers. We invest significant time, effort and resources in providing high levels of service to our customers and providing and developing products and services which meet the needs of our customers. We proactively collect feedback from customers on the service and products the Company provides, both informally and more formally, through regular and recurring engagement with customers including 1:1 meetings and calls, Monthly / Quarterly Business Reviews and Customer Satisfaction Surveys. This feedback is used to look at ways in which we can further improve our service and product offerings.

#### ***Supplier engagement***

The Company has established long term relationships with its key suppliers which include banking partners, technology hardware and software providers, and providers of other services which are key to the Company's provision of payment processing and technology solutions to its end customers. In addition, the Company has key long term relationships with Card Schemes and Alternative Payment Providers which are integral to the operation of its business. Our approach is to develop and maintain effective business relationships with our suppliers to ensure the Company obtains value, quality and consistency in the service it receives from all of its suppliers. We treat suppliers fairly and pay them on time and agree payment terms with suppliers at the onset of our relationship.

#### **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.

## PXP FINANCIAL LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

#### Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, 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 101 'Reduced Disclosure Framework'. 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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The 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.

#### Auditors

Under section 487(2) of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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

**J R Bell**

Director

Date: 27 September 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PXP FINANCIAL LIMITED

**Qualified Opinion**

We have audited the financial statements of PXP Financial Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 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 qualified opinion**

The company holds some of its cash balances with Viola Money (Europe) Limited, which was placed in special administration on 21 December 2021. The company has previously recognised an impairment of €324,113 in respect of this balance, being its estimate of the lifetime expected credit losses, and an amount of €1,620,565 is included in cash at bank and in hand in respect of the amount expected to be recovered. The special administration is still ongoing and the administrators are unable to provide a reliable estimate of the recoverable amount. We were unable to satisfy ourselves by alternative means concerning the balance included in cash at bank and in hand held at 31 December 2022 or the related impairment expense by using other audit procedures.

Consequently we were unable to determine whether any adjustment to these amounts were necessary. In addition, were any adjustment to the cash at bank and in hand balance to be required, the strategic report would also need to be amended.

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**

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.

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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PXP FINANCIAL LIMITED (CONTINUED)

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the cash at bank and in hand of €1,620,565 held with Viola Money (Europe) Limited at 31 December 2022. We have concluded that where the other information refers to the cash at bank and in hand balance or related balances such as impairment, it may be materially misstated for the same reason.

**Opinion on other matters prescribed by the Companies Act 2006**

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

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

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

Except for the matter described in the basis for qualified opinion section of our report, 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 Strategic Report or the Directors' Report.

Arising solely from the limitation on the scope of our work relating to cash at bank and in hand, referred to above:

- we have not received all the information and explanations we require for our audit.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PXP FINANCIAL LIMITED (CONTINUED)

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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.

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:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing minutes of meetings;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- Reviewing our work throughout the audit file for evidence of non-compliance.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PXP FINANCIAL 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 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, as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Vass (Senior Statutory Auditor)

for and on behalf of

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

29 September 2023

PXP FINANCIAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 €	2021 €
Turnover	4	12,579,137	14,668,342
Cost of sales		(9,273,020)	(9,282,728)
<b>Gross profit</b>		<u>3,306,117</u>	<u>5,385,614</u>
Administrative expenses		(8,358,395)	(10,886,305)
Exchange gains/losses		(204,591)	336,969
Non Trading Income	5	<u>2,376,509</u>	<u>2,534,287</u>
<b>Operating loss</b>	6	<u>(2,880,360)</u>	<u>(2,629,435)</u>
Income from investments		-	1,567,719
Finance Income	11	32,903	11,055
Finance Expense	12	<u>(19,489)</u>	<u>(50,816)</u>
<b>Loss before tax</b>		<u>(2,866,946)</u>	<u>(1,101,477)</u>
Tax on loss	13	-	-
<b>Loss for the financial year</b>		<u><u>(2,866,946)</u></u>	<u><u>(1,101,477)</u></u>

There was no other comprehensive income for 2022 (2021:€NIL).

The notes on pages 16 to 31 form part of these financial statements.

**PXP FINANCIAL LIMITED**  
**REGISTERED NUMBER: 05433326**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 €	2021 €
<b>Fixed assets</b>			
Intangible assets	15	117,430	324,435
Tangible assets	16	7,080	14,118
Investments	17	13	11
		<u>124,523</u>	<u>338,564</u>
<b>Current assets</b>			
Receivables	18	19,555,463	18,726,525
Cash at bank and in hand	19	8,764,551	17,733,997
		<u>28,320,014</u>	<u>36,460,522</u>
Payables: amounts falling due within one year	20	(22,714,314)	(28,825,588)
<b>Net current assets</b>		<u>5,605,700</u>	<u>7,634,934</u>
<b>Total assets less current liabilities</b>		<u>5,730,223</u>	<u>7,973,498</u>
Payables: amounts falling due after more than one year	21	(1,772,320)	(1,148,649)
<b>Net assets</b>		<u><u>3,957,903</u></u>	<u><u>6,824,849</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	6,872,971	6,872,971
Foreign exchange reserve	24	(122,808)	(122,808)
Profit and loss account	24	(2,792,260)	74,686
		<u><u>3,957,903</u></u>	<u><u>6,824,849</u></u>

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

**J R Bell**  
Director

Date: 27 September 2023

The notes on pages 16 to 31 form part of these financial statements.



PXP FINANCIAL LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2022	6,872,971	(122,808)	74,686	6,824,849
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(2,866,946)	(2,866,946)
<b>Total comprehensive income for the year</b>	-	-	(2,866,946)	(2,866,946)
<b>At 31 December 2022</b>	<u>6,872,971</u>	<u>(122,808)</u>	<u>(2,792,260)</u>	<u>3,957,903</u>

The notes on pages 16 to 31 form part of these financial statements.

PXP FINANCIAL LIMITED

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

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2021 (as previously stated)	951,326	(122,808)	4,131,930	4,960,448
Prior year adjustment - correction of error	-	-	(2,955,767)	(2,955,767)
At 1 January 2021 (as restated)	951,326	(122,808)	1,176,163	2,004,681
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(1,101,477)	(1,101,477)
<b>Total comprehensive income for the year</b>	-	-	(1,101,477)	(1,101,477)
<b>Contributions by and distributions to owners</b>				
Shares issued during the year	5,921,645	-	-	5,921,645
<b>Total transactions with owners</b>	5,921,645	-	-	5,921,645
<b>At 31 December 2021</b>	<u>6,872,971</u>	<u>(122,808)</u>	<u>74,686</u>	<u>6,824,849</u>

The notes on pages 16 to 31 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. General information**

The company is a private company limited by shares and is domiciled and incorporated in England and Wales. The address of its Registered Office is The Corn Mill, 1 Roydon Road, Stanstead Abbots, Hertfordshire, SG12 8XL, UK.

**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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial Reporting Standard 101 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of PXP Financial Group Limited as at 31 December 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**2. Accounting policies (continued)**

**2.3 Exemption from preparing consolidated financial statements**

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

**2.4 Going Concern**

The Company made a loss after tax for the year of €2,866,946 (2021 - €1,101,477) and had net current assets as at 31 December 2022 of €5,605,700 (2021 - €7,634,934).

BREXIT and the subsequent revocation of the EMI license of the partner to which the EEA portfolio has been transferred, had a negative impact on trading performance as measured by the Company's key financial performance metric, EBITDA.

While the Directors and the Company's shareholders are aware of the negative impact of these events on the financial performance outcome for the year, they also acknowledge these events were beyond Company's control.

The Company's strategy is to grow its business through increasing revenue with its existing customers, including offering additional services to those customers, as well as winning business with new customers. During the first half of 2022, the Company signed a master agreement with a partner which holds a Payment Service Provider licence regulated by the Financial Market Authority in Austria and, which under passporting rules, allows it to provide services to customers across the EEA. This provides the Company with access to a licence under which it can offer services to EEA customers via its partner. Under the terms of the agreement, the Company, as a principal member of Visa, Mastercard and Discover Diners, provides sponsorship of the partner as an Associate member of these card schemes. Processing of EEA customers under this new arrangement went live in Q3 2022 and the Directors expect this to positively impact the future revenue and financial performance of the Company as a result of a share of net revenue earned on transactions processed under the agreement.

Furthermore, the Company's 100%-owned subsidiary, PXP Financial Inc, through which revenues from the Group's US operations are generated has shown strong ongoing growth and financial performance. The results of PXP Financial Inc. are consolidated in the PXP Financial Group results but are not consolidated in the results presented for the Company.

These accounts are prepared on a going concern basis. The Directors have prepared cash-flow forecasts for a period of 12 months from the date of approval of these financial statements which in the Directors' opinion are prepared based around prudent assumptions which clearly demonstrate that the Company is cash generative over this period

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. Accounting policies (continued)**

**2.5 Revenue**

Revenue is recognised at the fair value of the consideration received or receivable net of VAT.

Revenue represents amounts chargeable in respect of services to customers and is recognised in the accounting period in which the services are rendered as this represents the way that control passes to customers. If the services rendered exceed the payments, a contract asset is recognised (note 18). If the payments exceed the services rendered, a contract liability is recognised. The company has three revenue models – payment gateway, aggregation services and card acquiring.

The payment gateway service offers the merchant a technical connection to many payment providers via the technical payment platform. This service may be charged on a fixed fee or per transaction with the revenue recognised and invoiced accordingly on a monthly basis.

The aggregation service offers the merchant a turnkey payment processing solution where technical and commercial relationships are handled by the company including a full cash management service. This service may be offered on a gross or net settlement basis and the revenue is recognised once the transaction is captured in the system.

As a card acquirer for Visa and MasterCard, the company can directly enter into contracts with merchants to offer merchant acquiring services. Customers are charged a fee on a transactional basis and revenue is recognised once the transaction is captured in the system.

All revenue is derived from continued operations.

**2.6 Share capital**

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The company's ordinary shares are classified as equity instruments.

**2.7 Leases**

**The Company as a lessee**

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

The lease liability is included in 'Payables' on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**2. Accounting policies (continued)**

**2.7 Leases (continued)**

the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the Tangible Fixed Assets lines in the Statement of Financial Position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.12.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

**2.8 Taxation**

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 reporting 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 reporting 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 reporting date.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 Foreign currency

Transactions entered into by the company in a currency other than the currency of the primary economic environment in which it operates (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

As at 1 January 2017, the company changed its functional currency from GBP to EUR. On translation of the brought forward reserves this resulted in a currency translation adjustment being made which is reflected within the Foreign exchange reserve.

2.10 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.

2.11 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.

Amortisation is provided on the following bases:

Licence Costs	-	33 % straight line basis
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2.12 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	-	33% Straight line
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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 profit or loss.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. Accounting policies (continued)**

**2.14 Trade and other receivables**

Trade receivables are amounts due from customers attributable to activities relating to the acquiring and aggregation of transactions performed in the ordinary course of business. They are generally due to settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Payment services provider balances, included within other receivables, are funds waiting to settle in regards to the acquired and aggregation of transactions and represent the balances awaiting to be received by PXP Financial on behalf of its merchants. Other trade and other receivables consist of security deposits and receivables from merchants in respect to gross settlement arrangements. Trade and other receivables are measured at fair value.

**2.15 Cash and cash equivalents**

Cash held at bank consists of the company's funds generated through trading activities and funds held on behalf of merchants that have been settled by the card schemes or other payment providers to the company, but have yet to be settled to the merchant. There is a corresponding merchant payable balance for all cash balances held on behalf of merchants.

**2.16 Trade and other payables**

Trade and other payables are generated through the more normal means of trading and are recognised on the accruals basis. All suppliers terms and credit periods are adhered to by the company. Merchant payables, included within other payables, consist of funds which are due to be paid to merchants once the settlement process has been completed. Other payables shows balances which are due to be paid on behalf of employee related creditors.

Trade payables are measured at fair value.

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

The group makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Payables classified as accruals and deferred income (note 20).



**PXP FINANCIAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**4. Turnover**

The whole of the turnover is attributable to continued operations and relates to the rendering of services.

Analysis of turnover by country of destination:

	2022 €	2021 €
United Kingdom	8,033,018	8,046,688
Rest of Europe	4,316,314	6,621,654
Rest of the world	229,805	-
	<u>12,579,137</u>	<u>14,668,342</u>

**5. Other operating income**

	2022 €	2021 €
Other operating income	<u>2,376,509</u>	<u>2,534,287</u>

**6. Operating loss**

The operating loss is stated after charging:

	2022 €	2021 €
Depreciation of tangible fixed assets	7,038	25,629
Amortisation of intangible assets, including goodwill	207,005	176,953
Defined contribution pension cost	<u>20,452</u>	<u>24,727</u>

**7. Auditors' remuneration**

During the year, the Company obtained the following services from the Company's auditors and their associates:

	2022 €	2021 €
Fees payable to the Company's auditors and their associates for the audit of the Company's financial statements	31,750	37,980

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

**PXP FINANCIAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. Employees**

Staff costs, including Directors' remuneration, were as follows:

	2022 €	2021 €
Wages and salaries	1,034,271	844,296
Social security costs	113,418	109,592
Cost of defined contribution scheme	20,452	24,727
	<u>1,168,141</u>	<u>978,615</u>

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

	2022 No.	2021 No.
Finance	4	4
Compliance and risk	2	2
Sales and AM	4	5
HR	1	1
	<u>11</u>	<u>12</u>

**9. Directors' remuneration**

	2022 €	2021 €
Directors' emoluments	383,425	387,751
Company contributions to defined contribution pension schemes	8,043	11,899
	<u>391,468</u>	<u>399,650</u>

During the year retirement benefits were accruing to 1 Director (2021 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of €268,045 (2021 - €262,821).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to €7,755 (2021 - €7,967).

PXP FINANCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Income from investments

	2022 €	2021 €
Dividends received from unlisted investments	-	1,567,719

11. Interest receivable

	2022 €	2021 €
Other interest receivable	32,903	11,055

12. Interest payable and similar expenses

	2022 €	2021 €
Bank interest payable	19,489	50,339
Interest on lease liabilities	-	477
	19,489	50,816

13. Taxation

	2022 €	2021 €
Current tax on profits for the year	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
<b>Taxation on profit on ordinary activities</b>	-	-

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Taxation (continued)

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 €	2021 €
Loss on ordinary activities before tax	<u>(2,866,946)</u>	<u>(1,101,477)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(544,720)	(209,281)
<b>Effects of:</b>		
Unrelieved tax losses carried forward	544,720	209,281
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

14. Exceptional items

	2022 €	2021 €
Losses/(gains) on foreign exchange	<u>204,591</u>	<u>(336,969)</u>

PXP FINANCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Intangible assets

	Software licences €
<b>Cost</b>	
At 1 January 2022	545,623
	<hr/>
At 31 December 2022	545,623
	<hr/>
<b>Amortisation</b>	
At 1 January 2022	221,188
Charge for the year on owned assets	207,005
	<hr/>
At 31 December 2022	428,193
	<hr/>
<b>Net book value</b>	
At 31 December 2022	<u>117,430</u>
At 31 December 2021	<u>324,435</u>

PXP FINANCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Tangible fixed assets

	Computer equipment €
<b>Cost or valuation</b>	
At 1 January 2022	24,370
	<hr/>
At 31 December 2022	24,370
	<hr/>
<b>Depreciation</b>	
At 1 January 2022	10,252
Charge for the year on owned assets	7,038
	<hr/>
At 31 December 2022	17,290
	<hr/>
<b>Net book value</b>	
At 31 December 2022	7,080
	<hr/>
At 31 December 2021	14,118
	<hr/>

PXP FINANCIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Fixed asset investments

	Investments in subsidiary companies €
<b>Cost or valuation</b>	
At 1 January 2022	11
Additions	2
	<hr/>
At 31 December 2022	<u>13</u>

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
PXP Financial Inc.	140 Broadway, 46th Floor, New York, NY 10005, USA	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
PXP Financial Inc.	3,243,791	1,318,251

**PXP FINANCIAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**18. Receivables**

	2022 €	2021 €
Trade receivables	36,400	89,279
Amounts owed by group undertakings	11,576,760	8,972,850
Other receivables	7,445,369	9,336,066
Prepayments and accrued income	271,640	153,957
Contract assets	225,294	174,373
	<u>19,555,463</u>	<u>18,726,525</u>

**19. Cash and cash equivalents**

	2022 €	2021 €
Safeguarded funds held on behalf of merchants	6,247,177	13,530,774
Free cash	2,517,374	4,203,223
	<u>8,764,551</u>	<u>17,733,997</u>

As a result of a special administration (under the Payment and Electronic Money Institution Insolvency Regulations 2021) of one of the banking partners of PXP Financial Limited, the Company has recorded an impairment to Financial Asset – Cash and cash equivalents in amount of €324,113 as at 31 December 2022 (2021 - €324,113).

**20. Payables: Amounts falling due within one year**

	2022 €	2021 €
Trade payables	136,058	148,850
Amounts owed to group undertakings	8,980,758	5,605,741
Other taxation and social security	21,845	142,392
Other payables	12,757,703	21,718,667
Accruals and deferred income	817,950	1,209,938
	<u>22,714,314</u>	<u>28,825,588</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**21. Payables: Amounts falling due after more than one year**

	2022 €	2021 €
Amounts owed to group undertakings	<u>1,772,320</u>	<u>1,148,649</u>

**22. Leases**

**Company as a lessee**

In 2021, the only lease to which the company is a party is a three year lease for computer servers; no lease in 2022.

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	2022 €	2021 €
Interest expense on lease liabilities	<u>-</u>	<u>477</u>

**23. Share capital**

	2022 €	2021 €
<b>Allotted, called up and fully paid</b>		
5,861,836 (2021 - 5,861,836) Ordinary shares of £1 each	<u>6,872,971</u>	<u>6,872,971</u>

**24. Reserves**

**Foreign exchange reserve**

This reserve represents foreign exchange differences that arose when the company changed its functional currency.

**Profit and loss account**

The profit and loss reserve represents accumulated comprehensive income of the year and prior periods less any dividends paid.

**25. 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 €20,452 (2021 - €24,727). Contributions totalling €3,686 (2021 - €4,909) were payable to the fund at the reporting date and are included in creditors.

**PXP FINANCIAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**26. Related party transactions**

The company has taken advantage of the exemption available under FRS 101 paragraph 8(k), not to disclose any transactions with wholly owned subsidiaries included in the consolidated financial statements of its parent company.

**27. Controlling party**

The Company's immediate holding company is PXP Financial Group Limited, a company incorporated in the England and Wales.

The Company's ultimate controlling party is Omar Ali Chohan and Marisa Montrivisai-Chohan.

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.