

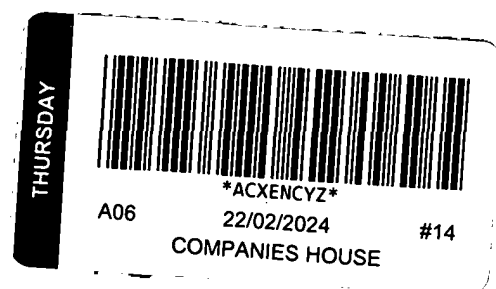
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**RETAIL MERCHANT GROUP LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**



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**RETAIL MERCHANT GROUP LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Mr Kevin Patrick O'Keefe (resigned 26 December 2022) Mr Jeremy Joylon Nicholls (resigned 31 March 2022) Mr Felipe Pinto (appointed 13 July 2022, resigned 9 October 2023) Mr Thomas Mylrea Lowndes (appointed 13 July 2022) Mr Grigoris Kouteris , resigned 4 October 2023) Mr Christopher John Hartley (appointed 2 November 2023) Ms Hanna Elizabeth Seminario (appointed 2 November 2023)
<b>Registered number</b>	06257540
<b>Registered office</b>	Third Floor, 20 Old Bailey LONDON EC4M 7AN
<b>Independent auditor</b>	Deloitte LLP 1 New Street Square LONDON EC4A 3HQ
<b>Bankers</b>	Natwest Bank PLC Victoria Street GRIMSBY DN31 1GA

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**RETAIL MERCHANT GROUP LIMITED**

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## RETAIL MERCHANT GROUP LIMITED

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

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#### Introduction

The directors present their Strategic Report of Retail Merchant Group Limited ("the Company") for the year ended 31 December 2022.

#### Principal activities and business review

The principal activity of the Company during the year was that of a holding company.

The Company wholly owns Retail Merchant Services Limited and Retail Merchant Finance Limited. The owner of Retail Merchant Group, RMS Holdco Ltd is wholly owned by Teya Europe Ltd (previously Salt Pay Europe Ltd), a company registered in UK. Teya Europe is a subsidiary of Teya Holdings Ltd (previously Salt Pay Co Ltd), a company registered in the Cayman Islands.

Annual turnover remains £Nil (2021: £Nil).

#### Principal risks and uncertainties

All businesses are subject to risk and many individual risks are macroeconomic or social and common across many businesses. Many risks are to a greater or lesser degree controllable, but some are not controllable. Through its internal risk management process, the Company identifies business specific risks. It classifies the key risks as those which could materially damage the Company's strategy, reputation, business, profitability or assets and these risks are listed below. This list is in no particular order and is not exhaustive list of all potential risks. Some risks may be unknown and it may transpire that others, currently considered immaterial, become material.

#### Commercial relationships

The Company is exposed to changes in relationships with suppliers. It is a key task for the operational management to maintain and develop relationships with suppliers.

#### Strategic risk

Strategic risks are determined by Board decisions about the objectives and direction of the organisation, decisions that materially affect the business strategy, business model and therefore the successful execution of our business plan. To mitigate this risk the Teya Group's Board has established a thorough planning and decision-making process, where monthly business reviews are held, and performance is tracked through the monthly performance report provided by the Teya Group's Chief Executive Officer and Chief Finance Officer. As part of these reviews, matters reserved for their decision, such as significant acquisitions and disposals of assets, investments, capital projects, and treasury policies are included.

#### Liquidity risk

The Company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts.

#### Interest rate risk

The Company holds debt which generates interest expense for the Company, creating a potential exposure to fluctuations in interest rates. The Company manages interest rate risk by entering into fixed-rate loans to shield the Company from short-term interest rate fluctuations and provide a level of predictability and stability to the interest expense to the Company. This enables better financial planning as the Company can accurately forecast interest over the loan tenure. The interest rates on the Company's loans are determined based on market conditions at the time of the effective date of the loan agreement.

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**RETAIL MERCHANT GROUP LIMITED**

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

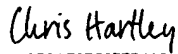
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**Key performance indicators**

**Financial key performance indicators**

The directors manage the ongoing performance of the business by reviewing key financial performance indicators for Retail Merchant Services Limited and Retail Merchant Finance Limited. There are no such financial key performance indicators for Retail Merchant Group Limited, as the principal activity is purely that of a holding company.

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

DocuSigned by:  
  
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**Christopher J Hartley**

Director

Date: 20 February 2024

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## RETAIL MERCHANT GROUP LIMITED

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

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

#### **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 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 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 judgements 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in the Director's reports may differ from legislation in other jurisdictions.

#### **Post Balance Sheet Events**

In December 2023, the subsidiaries of the Company (Retail Merchant Finance Ltd. and Retail Merchant Services Ltd.) have transferred a portion of their customer base to another Teya group entity, Teya Solutions Ltd. This transaction may impact the recoverability of the Company's investment in both subsidiaries. The Directors have not valued the entire business as part of this transfer (only the part which was sold) and are therefore unable to provide a reliable estimate of such impairment at this time.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £98,659 (2021 - loss £13,315).

The directors do not recommend the payment of a dividend (2021: £nil).

#### **Directors**

The directors who served during the year were:

Mr Kevin Patrick O'Keefe (resigned 26 December 2022)  
Mr Jeremy Joylon Nicholls (resigned 31 March 2022)

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**RETAIL MERCHANT GROUP LIMITED**

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

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Mr Felipe Pinto (appointed 13 July 2022, resigned 9 October 2023)  
Mr Thomas Mylrea Lowndes (appointed 13 July 2022)  
Mr Grigoris Kouteris (appointed 26 December 2022, resigned 4 October 2023)

**Going concern**

These financial statements have been prepared on a going concern basis. In preparing the financial statements the directors have taken into account all information that could reasonably be expected to be available for the following 12 months from the date of signing the financial statements and beyond.

The Company is a non-trading operating company. The directors do not anticipate any changes to this structure in the upcoming 12 months.

The directors have considered the Company's negative net current asset position of £1.1 million and, notwithstanding the £98.8k loss for the year (2021: £13.3k loss), made appropriate enquiries of other group companies and reviewing forecasts of future group trading levels and cash flows covering at least 12 months from the date of these accounts, amounts owed by Group undertakings, amounts due to Group undertakings and the letter of support received from the ultimate parent company, Teya Holdings Ltd. (previously Salt Pay Co Ltd.)

As a result of the review and the support from Teya Holdings Ltd., the directors have a reasonable expectation that the Company has sufficient resources to continue in operation for the next 12 months and beyond. For this reason, the directors consider the adoption of the going concern basis in preparing the financial statements to be appropriate.

**Disclosure of information to auditor**

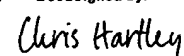
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's 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**

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 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.

DocuSigned by:  
  
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**Christopher J Hartley**  
Director  
Date: 20 February 2024

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## RETAIL MERCHANT GROUP LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RETAIL MERCHANT GROUP LIMITED

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#### Independent auditor's report to the members of Retail Merchant Group Limited

#### Report on the audit of the financial statements

##### Opinion

In our opinion the financial statements of Retail Merchant Group Limited (the "company"):

- give a true and fair view of the state of the entity'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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statements of changes in equity; and
- the related notes 1 to 17.

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).

##### 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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.

##### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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



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**RETAIL MERCHANT GROUP LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RETAIL MERCHANT GROUP LIMITED**

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otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

**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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: . This description forms part of our auditor's report.

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included GDPR and the Anti-money laundering directive.

We discussed among the audit engagement team including relevant internal specialists such as IT and Indirect Tax regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any

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**RETAIL MERCHANT GROUP LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RETAIL MERCHANT GROUP LIMITED**

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significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

**Report on other legal and regulatory requirements**

**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 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.

In the light of the knowledge and understanding of the company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- 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.

We have nothing to report in respect of these matters.

**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.

David Rozier

for and on behalf of

DocuSigned by:  
*David Rozier*  
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**Deloitte LLP**  
Statutory Auditor

Cardiff, United Kingdom

20 February 2024

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**RETAIL MERCHANT GROUP LIMITED**


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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**


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	Note	2022 £	2021 £
Administrative expenses		(14,540)	(12,568)
<b>Operating loss</b>		<b>(14,540)</b>	<b>(12,568)</b>
Interest payable and similar expenses	5	(68,367)	-
<b>Loss before taxation</b>		<b>(82,907)</b>	<b>(12,568)</b>
Tax on loss	7	(15,752)	(747)
<b>Loss for the financial year</b>		<b>(98,659)</b>	<b>(13,315)</b>

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

The notes on pages 11 to 18 form part of these financial statements.

The financial results are from continuing operations/activities.

**RETAIL MERCHANT GROUP LIMITED**  
**REGISTERED NUMBER:06257540**

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

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Fixed assets and investments	8	2,400,200	200
		<u>2,400,200</u>	<u>200</u>
<b>Current assets</b>			
Debtors	9	3,135,093	2,936,030
Cash and cash equivalents	10	7,390	7,927
		<u>3,142,483</u>	<u>2,943,957</u>
Creditors: amounts falling due within one year	11	(4,265,683)	(3,968,498)
<b>Net current liabilities</b>		<u>(1,123,200)</u>	<u>(1,024,541)</u>
<b>Total assets less current liabilities</b>		<u>1,277,000</u>	<u>(1,024,341)</u>
<b>Net assets/(liabilities)</b>		<u><u>1,277,000</u></u>	<u><u>(1,024,341)</u></u>
<b>Capital and reserves</b>			
Share capital	14	2,800,000	2,800,000
Other reserves	13	2,400,000	-
Profit and loss account	13	(3,923,000)	(3,824,341)
		<u>1,277,000</u>	<u>(1,024,341)</u>

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

DocuSigned by:  
  
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**Christopher J Hartley**  
Director  
Date: 20 February 2024

The notes on pages 11 to 18 form part of these financial statements.

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**RETAIL MERCHANT GROUP LIMITED**


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


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	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
<b>At 1 January 2021</b>	<b>2,800,000</b>	<b>-</b>	<b>(3,811,026)</b>	<b>(1,011,026)</b>
Loss for the year	-	-	(13,315)	(13,315)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(13,315)</b>	<b>(13,315)</b>
<b>At 1 January 2022</b>	<b>2,800,000</b>	<b>-</b>	<b>(3,824,341)</b>	<b>(1,024,341)</b>
Loss for the year	-	-	(98,659)	(98,659)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(98,659)</b>	<b>(98,659)</b>
<b>Contributions by and distributions to owners</b>				
Capital contribution	-	2,400,000	-	2,400,000
<b>Total transactions with owners</b>	<b>-</b>	<b>2,400,000</b>	<b>-</b>	<b>2,400,000</b>
<b>At 31 December 2022</b>	<b>2,800,000</b>	<b>2,400,000</b>	<b>(3,923,000)</b>	<b>1,277,000</b>

The notes on pages 11 to 18 form part of these financial statements.

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## RETAIL MERCHANT GROUP LIMITED

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

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#### 1. General information

Retail Merchant Group Limited is a private company limited by shares & incorporated in England and Wales. Its registered head office is located at Third Floor, 20 Old Bailey, London, England, EC4M 7AN.

The principal activity of the Company during the year was that of a holding company.

#### 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 following principal accounting policies have been applied:

##### 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 Teya Holdings Ltd. as at 31 December 2022 and these financial statements may be obtained from the Company via the Registered Office address disclosed in the Company Information..

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**RETAIL MERCHANT GROUP LIMITED**

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

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**2. Accounting policies (continued)**

**2.3 Going concern**

These financial statements have been prepared on a going concern basis. In preparing the financial statements the directors have taken into account all information that could reasonably be expected to be available for the following 12 months from the date of signing the financial statements and beyond.

The Company is a non-trading operating company. The directors do not anticipate any changes to this structure in the upcoming 12 months.

The directors have considered the Company's negative net current asset position of £1.1 million and notwithstanding the £98.7k loss for the year (2021: £13.3k loss), made appropriate enquiries of other group companies and reviewing forecasts of future group trading levels and cash flows covering at least 12 months from the date of these accounts, amounts owed by Group undertakings, amounts due to Group undertakings and the letter of support received from the ultimate parent company, Teya Holdings Ltd. (previously Salt Pay Co Ltd.)

As a result of the review and the support from Teya Holdings Ltd., the directors have a reasonable expectation that the Company has sufficient resources to continue in operation for the next 12 months and beyond. For this reason, the directors consider the adoption of the going concern basis in preparing the financial statements to be appropriate.

**2.4 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 a state other than the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

**2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.6 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.

**2.7 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.

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**RETAIL MERCHANT GROUP LIMITED**

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

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**2. Accounting policies (continued)****2.8 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.9 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.

**2.10 Finance costs**

Finance costs are charged to profit or loss 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.



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**RETAIL MERCHANT GROUP LIMITED**


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


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**2. Accounting policies (continued)****2.11 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.

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

In the course of preparing the financial statements, no critical judgements or significant uncertain estimates have been made in the process of applying the accounting policies.

**4. Auditor's remuneration**

During the year, the Company obtained the following services from the Company's auditor (no non-audit services have been provided):

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditors for the audit of the Company's financial statements	<b>14,000</b>	<b>16,500</b>

**5. Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other loan interest payable	<b>68,367</b>	<b>-</b>

**6. Directors' remuneration**

The Company is wholly owned by RMS Holdco Limited. RMS Holdco Limited is wholly owned by Teya Europe Ltd. (previously Salt Pay Europe Ltd), which is wholly owned by Teya Holdings Ltd. (previously Salt Pay Co Ltd). The directors of the Company are employees of and directors for other subsidiaries in the Teya Group and allocation of directors' remuneration corresponding to services rendered as officers of the Company only is not reasonably practicable.

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**RETAIL MERCHANT GROUP LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Taxation**

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	15,752	747
	<u>15,752</u>	<u>747</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	(82,907)	(12,568)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	15,752	747
<b>Effects of:</b>		
Total tax charge for the year	15,752	747
	<u>15,752</u>	<u>747</u>

**Factors that may affect future tax charges**

Finance Act 2020 enacted provision to increase the UK Corporation tax rate to 19% from 1 April 2021 and accordingly the deferred tax at 31 December 2022 was calculated at this rate. An increase in the standard rate of UK corporation tax from 19% to 25% with effect from 1 April 2023 was enacted on 10 June 2021.

**8. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2022	200
Additions	2,400,000
At 31 December 2022	<u>2,400,200</u>

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**RETAIL MERCHANT GROUP LIMITED**


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**8. Fixed asset investments (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Retail Merchant Services Limited	United Kingdom	Ordinary	100%
Retail Merchant Finance Limited	United Kingdom	Ordinary	100%

**9. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	<b>3,135,093</b>	<b>2,936,027</b>
Other debtors	<b>-</b>	<b>3</b>
	<b><u>3,135,093</u></b>	<b><u>2,936,030</u></b>

An impairment charge of £Nil (2021: Nil) was recognised against total debtors.

**10. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>7,390</b>	<b>7,927</b>
	<b><u>7,390</u></b>	<b><u>7,927</u></b>

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**RETAIL MERCHANT GROUP LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	<b>4,235,183</b>	3,951,998
Accruals and deferred income	<b>30,500</b>	16,500
	<b><u>4,265,683</u></b>	<b><u>3,968,498</u></b>

Amounts owed to group undertakings are interest-bearing loans payable 5 years from 31 December 2021 or such earlier date, as the Lender may specify by giving 2 business days' written notice.

As per the Letter of Support provided by Teya Holdings Ltd. to the Company, should intra-Group debt be recalled, Teya Holdings Ltd (the ultimate parent company) committed to provide the necessary financial support to the Company to repay the debt.

**12. Financial instruments**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<b><u>7,390</u></b>	<b><u>7,927</u></b>

**13. Reserves****Other reserves**

Include capital contributions received during the year.

**Profit & loss account**

Includes all current and prior period retained profit and losses

**14. Share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Authorised, allotted, called up and fully paid</b>		
2,800,000 (2021 - 2,800,000) Ordinary shares of £1.00 each	<b><u>2,800,000</u></b>	<b><u>2,800,000</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Related party transactions**

The Company has availed of the exemption provided in FRS 102 Section 33 Related Party Disclosures not to disclose transactions entered with fellow group companies that are wholly owned within the group of companies of which the Company is a wholly owned member.

**16. Post balance sheet events**

In December 2023, the subsidiaries of the Company (Retail Merchant Finance Ltd. and Retail Merchant Services Ltd.) have transferred a portion of their customer base to another Teya group entity, Teya Solutions Ltd. This transaction may impact the recoverability of the Company's investment in both subsidiaries. The Directors have not valued the entire business as part of this transfer (only the part which was sold) and are therefore unable to provide a reliable estimate of such impairment at this time.

**17. Controlling party**

The company is wholly owned by RMS Holdco Limited. RMS Holdco Limited is wholly owned by Teya Europe Ltd (previously Salt Pay Europe Ltd), which is wholly owned by Teya Holdings Ltd (previously Salt Pay Co Ltd).

The Company's ultimate parent company is Teya Holdings Ltd. (previously Salt Pay Co Ltd). Teya Holdings Ltd is incorporated in Cayman Islands, with a registered address at Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands.

Teya Holdings Ltd prepares the consolidated financial statements in which the financial statements of the Company are consolidated. Copies of the consolidated financial statements are publicly available from its registered address Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands.

Teya Holdings Ltd. is the parent of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2022.