

Registered number: 08730592

CRYPTOPAY LTD
UNAUDITED FILLETED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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Cryptopay Ltd
Unaudited Filleted Financial Statements
For the Year ended 31 December 2020

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Cryptopay Ltd
Company Information
For the Year ended 31 December 2020

Directors	Mr Dmitrii Guniashov Mr Darren Minness
Company Number	08730592
Registered Office	8 Devonshire Square London United Kingdom EC2M 4PL
Business Address	8 Devonshire Square London United Kingdom EC2M 4PL

Cryptopay Ltd
Abridged Balance Sheet
As at 31 December 2020
Registered number: 08730592

	Notes	As at 31 December 2020		As at 31 December 2019	
		£	£	£	£
NON-CURRENT ASSETS					
Intangible Assets	3		363,453		409,250
Debtors	4		<u>505,407</u>		<u>396,240</u>
			868,860		805,490
CURRENT ASSETS					
Deferred Tax Asset	11	112,598		341,286	
Debtors	4	448,960		66,200	
Cash at bank and in hand		<u>3,338,314</u>		<u>851,877</u>	
		3,899,872		1,259,363	
Creditors: Amounts Falling Due Within One Year	5	<u>(556,661)</u>		<u>(71,901)</u>	
NET CURRENT ASSETS (LIABILITIES)			3,343,211		1,187,462
TOTAL ASSETS LESS CURRENT LIABILITIES			4,212,071		1,992,953
Creditors: Amounts Falling Due After More Than One Year	6	<u>(3,994,466)</u>		<u>(2,321,582)</u>	
NET ASSETS			217,605		(328,629)
CAPITAL AND RESERVES					
Called up share capital	7		200		200
Profit and Loss Account			<u>217,405</u>		<u>(328,829)</u>
SHAREHOLDERS' FUNDS			217,605		(328,629)

For the period ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

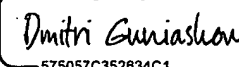
In accordance with the section 476 of the Companies Act 2006 the director of the company have elected to exclude profit and loss account from the information submitted to Companies House.

Director's responsibilities

- The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.
- All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet for the year end 31 December 2020 in accordance with section 444(2A) of the Companies Act 2006.

On behalf of the board

DocuSigned by:


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Mr Dmitrii Guniashov
23/12/2021

The notes on pages 6 to 9 form part of these financial statements.

Cryptopay Ltd
Statement of Changes in Equity
For the Year ended 31 December 2020

	Notes	Called up share capital £	Profit and Loss Account £	Total Equity £
Balance at 31 December 2018		200	(159,817)	(159,617)
Income (loss) for the year		-	(169,012)	(169,012)
Balance at 31 December 2019		200	(328,829)	(328,629)
Income (loss) for the year		-	546,234	546,234
Balance at 31 December 2020		200	217,405	217,605

The notes on pages 6 to 9 form part of these abridged financial statements.

Cryptopay Ltd
Notes to the Filleted Financial Statements
For the Year ended 31 December 2020

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Revenue

The company revenue is derived from cryptocurrency transactional services, where a user of the company's services can buy and sell cryptocurrencies. The company charges fixed transaction fees to provide this service. Revenue is recognised at the point of trade and settlement is instantly transferred into the company bank account.

For transactions involving the sales of cryptocurrency or fiat currency the Company acts as Agent as it does not assume control of the currency asset prior to execution of the trade. Revenue in relation to these user transactions is therefore recognised on a net basis.

1.3. Intangible Fixed Assets and Amortisation - Other Intangible

Intangible assets represent certain website development costs that meet the recognition criteria to qualify for recognition as an asset. The website is developed for internal and external access and contains the service that is being sold to the customers. Intangible assets are amortised to profit and loss account over its estimated useful life.

The estimated useful lives of the development costs is 2 years.

1.4. Debtors

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.

1.5. 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.

1.6. 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.

1.7. Foreign Currencies

The company's functional and presentational currency is Pound Sterling (£).

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.8. Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss statement, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

1.9. 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, and loans to and from related parties.

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.

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.

1.10. Finance Costs

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

2. Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and they are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Money and digital currencies held on behalf of clients

The company holds funds on behalf of its customers in the form of fiat currencies and cryptocurrencies. The company operates customer deposit bank accounts at financial institutions in Europe where fiat currencies on behalf of the clients are held.

Considering Cryptopay Ltd has no intention to use customers' funds in its business activities and does not receive any rewards from them the company does not recognise funds held on behalf of its customers as a corresponding asset and liability on the Balance Sheet.

Cryptopay Ltd
Notes to the Filleted Financial Statements
For the Year ended 31 December 2020

3. Intangible Assets

	Total £
Cost	
As at 31 December 2018	629,961
Additions	310,482
As at 31 December 2019	940,443
Additions	372,624
As at 31 December 2020	1,313,067
Amortisation	
As at 31 December 2018	136,027
Charged	395,166
As at 31 December 2019	531,193
Charged	418,421
As at 31 December 2020	949,614

4. Debtors

	31 December 2020 £	31 December 2019 £
Due within one year		
Accounts receivable	448,960	66,200
	448,960	66,200
Due after more than one year		
Loans issued to the company under common control	505,407	396,240
	505,407	396,240
Total debtors	954,367	462,440

5. Creditors: Amounts Falling Due Within One Year

	31 December 2020 £	31 December 2019 £
Accounts Payable	221,339	71,901
VAT Historical Liability	209,933	-
Provision for Corporation Tax	125,389	-
	556,661	71,901

6. Creditors: Amounts Falling Due After More Than One Year

	31 December 2020 £	31 December 2019 £
Borrowings	3,994,466	2,321,582
	3,994,466	2,321,582

Cryptopay Ltd
Notes to the Abridged Financial Statements
For the Year ended 31 December 2020

7. Share Capital

			31 December 2020	31 December 2019
Allotted, Called up and fully paid			200	200
	Value	Number	31 December 2020	31 December 2019
	£		£	£
Allotted, called up and fully paid				
Ordinary A shares	1.00	170	170	170
Ordinary C shares	1.00	30	30	30
		200	200	200

8. Employees and Directors

The average number of staff during the year ended 31 December 2020 was 10 (year ended 31 December 2019: 8).

The Directors' remuneration in the year ended 31 December 2020 was £ 14,000 (there was no Director's remuneration in the year ended 31 December 2019).

9. Financial commitments, guarantees and contingencies

Guarantee

During the year ended 31 December 2018 Cryptopay Ltd has become a guarantor of the £306,000 loan given to the related party (company under common control) by its director. This guarantee was executed in August 2021 and as at the date of signing these financial statements Cryptopay Ltd fully expects the loan to be repaid by the company under common control.

10. Off-balance sheet items

The company holds funds on behalf of its customers in the form of fiat currencies and cryptocurrencies. On 31 December 2020 the total value of clients' fiat money and clients' cryptocurrencies held was £39,026,718 (on 31 December 2019: £15,562,354).

11. Post balance sheet events

In April 2021 the whole deferred tax asset (R&D tax credit) amount was repaid by HMRC to the bank account of Cryptopay Ltd.