

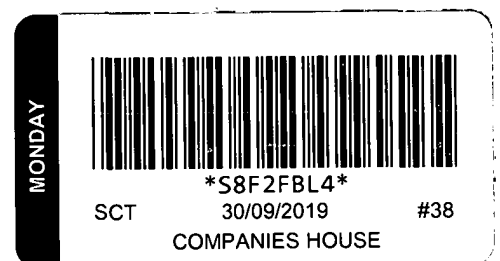
**Company Registered No: 11033015**

**METTLE VENTURES LIMITED**

**(formerly DIGI VENTURES LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the period 26 October 2017 to 31 December 2018**



**CONTENTS****PAGE**

OFFICERS AND PROFESSIONAL ADVISERS	1
DIRECTORS' REPORT	2
INDEPENDENT AUDITOR'S REPORT	5
STATEMENT OF COMPREHENSIVE INCOME	8
BALANCE SHEET	9
STATEMENT OF CHANGES IN EQUITY	10
NOTES TO THE FINANCIAL STATEMENTS	11

**METTLE VENTURES LIMITED**

**11033015**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:**

A Ellis  
G S Toumbev

**COMPANY SECRETARY:**

RBS Secretarial Services Limited

**REGISTERED OFFICE:**

250 Bishopsgate  
London  
England  
EC2M 4AA

**INDEPENDENT AUDITOR:**

Ernst & Young LLP  
Statutory Auditor  
25 Churchill PI,  
Canary Wharf,  
London  
E14 5EY

**Registered in England and Wales**

**DIRECTORS' REPORT**

The directors of Mettle Ventures Limited ("the Company") present their first annual report with the audited financial statements from 26 October 2017 to 31 December 2018.

**Incorporation and commencement of activity**

The Company was incorporated on 26 October 2017 and commenced activity on 26 April 2018.

**CHANGE OF NAME**

The Company changed its name from Digi Ventures Limited to Mettle Ventures Limited on 12 July 2019.

**ACTIVITIES AND BUSINESS REVIEW**

This Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and therefore does not include a Strategic report.

**Activity**

The principal activity of the Company is to act as an agent to provide business accounts to SME customers.

**Review of the year*****Business review***

The Company is not currently trading and does not intend to trade in the future subject to strategic decisions on organisational direction. The company is funded by its parent company, National Westminster Bank Plc.

***Financial performance***

The Company's financial performance for its first accounting period from incorporation on 26 October 2017 to 31 December 2018 is presented on pages 8 to 10.

The operating loss before and after taxation for the period was £106,508.

A dividend of £nil was paid during the year.

At the end of the period, total assets were £100.

***Principal risks and uncertainties***

The Company seeks to minimise its exposure to financial risks other than credit risk.

Management focuses on both the overall balance sheet structure and the control, within prudent limits, of risk arising from mismatches, including maturity, interest rate and liquidity. It is undertaken within limits and other policy parameters set by the Group Asset and Liability Management Committee (Group ALCO).

The Company is funded by facilities from National Westminster Bank Plc. These are denominated in sterling which is the functional currency and carry no significant financial risk.

The principal risks associated with the Company is as follows:

**Operational risk**

Operational risk is the risk of unexpected losses attributable to human error, systems failures, fraud or inadequate internal financial controls and procedures. The Company manages this risk, in line with the RBSG framework, through systems and procedures to monitor transactions and positions, the documentation of transactions and periodic review by internal audit. The Company also maintains contingency facilities to support operations in the event of disasters.

**DIRECTORS' REPORT****Going concern**

The directors, having made such enquiries, and having obtained such support from its parent as they considered appropriate and having a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, have prepared the financial statements on a going concern basis.

**DIRECTORS AND SECRETARY**

The present directors and secretary, who have served throughout the period except where noted below, are listed on page 1.

From 26 October 2017 to date the following changes have taken place:

	Appointed	Resigned
<b>Directors</b>		
A Ellis	26 October 2017	-
S L Harbour	26 October 2017	13 December 2018
G S Toumbev	13 December 2018	-
<b>Company Secretary</b>		
RBS Secretarial Services Limited	26 October 2017	-

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare a Directors' report and financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework, and must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs at the end of the period and 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 estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 has been followed; and
- make an assessment of the Company's ability to continue as a going concern.

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 Directors' Report and financial statements comply with the requirements of 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.

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the directors at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the Company's auditor is aware of that information.

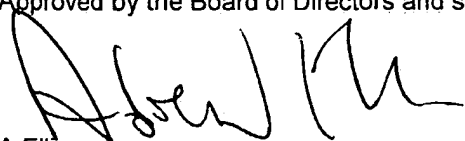
This confirmation is given and shall be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

**DIRECTORS' REPORT**

**INDEPENDENT AUDITOR**

The Royal Bank of Scotland Group plc has appointed Ernst & Young LLP as the Company's auditor for the period ended 31 December 2018.

Approved by the Board of Directors and signed on its behalf.

A handwritten signature in black ink, appearing to read 'A Ellis', written over a horizontal line.

A Ellis

Director

Date: 27<sup>th</sup> September 2019

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METTLE VENTURES LIMITED**

### **Opinion**

We have audited the financial statements of Mettle Ventures Limited for the period ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 8, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards (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 below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

### **Other information**

The 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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METTLE VENTURES LIMITED**

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METTLE VENTURES LIMITED

### 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.

Ernst & Young LLP

**Simon Ludlam**, (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London, United Kingdom

30 September 2019

**STATEMENT OF COMPREHENSIVE INCOME**  
**for the period ended 31 December 2018**

		2018
<b>Loss from continuing operations</b>	<b>Notes</b>	<b>£</b>
Operating expenses	2	(106,508)
<b>Loss before tax</b>		<b>(106,508)</b>
Tax credit	3	-
<b>Loss and total comprehensive loss for the period</b>		<b>(106,508)</b>

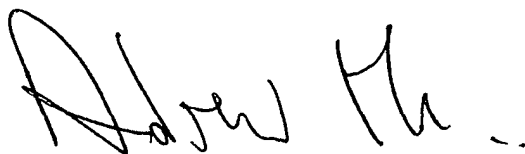
The accompanying notes form an integral part of these financial statements.

**BALANCE SHEET**  
as at 31 December 2018

	Note	2018 £
<b>Current assets</b>		
Amounts due from group companies	4	100
Current tax asset		-
		<u>100</u>
<b>Total assets</b>		<u>100</u>
<b>Current liabilities</b>		
Amounts due to group companies	5	1,008
Accruals, deferred income and other liabilities	6	105,500
		<u>106,508</u>
<b>Equity</b>		
Called up share capital	7	100
Profit and loss account		(106,508)
<b>Total equity</b>		<u>(106,408)</u>
<b>Total liabilities and equity</b>		<u>100</u>

The accompanying notes form an integral part of these financial statements.

The financial statements of the Company were approved by the Board of Directors and authorised for issue on 27<sup>th</sup> September 2019 and signed on its behalf by:



A Ellis  
Director

**STATEMENT OF CHANGES IN EQUITY**  
**for the period ended 31 December 2018**

	Share capital £	Profit and loss account £	Total £
<b>At 26 October 2017</b>	100	-	100
Loss for the period	-	(106,508)	(106,508)
<b>At 31 December 2018</b>	<b>100</b>	<b>(106,508)</b>	<b>(106,408)</b>

Total comprehensive loss for the period of £106,508 was wholly attributable to the owners of the Company.

The accompanying notes form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS****1. Accounting policies****a) Preparation and presentation of financial statements**

The financial statements are prepared:

- on a going concern basis;
- under Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework in accordance with the recognition and measurement principles of International Financial Reporting Standards issued by the IASB and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB as adopted by the EU (together IFRS); and
- on the historical cost basis.

The Company has adopted all of the amendments to FRS 101 as a result of the Triennial review 2017 amendments with effect from 1st January 2018.

The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements issued by the Financial Reporting Council.

The accounts of the Company are presented for the period 26 October 2017 to 31 December 2018 and since this is the Company's first period of account no comparatives are available.

The Company is incorporated in the UK and registered in England and Wales and the financial statements are presented:

- in accordance with the Companies Act 2006;
- in sterling which is the functional currency of the Company; and
- with the benefit of the disclosure exemptions permitted by FRS 101 with regard to;
  - comparative information in respect of certain assets;
  - cash-flow statement;
  - standards not yet effective;
  - related party transactions; and
  - disclosure requirements of IFRS 7 "Financial Instruments: Disclosure and IFRS 13 "Fair value Measurement".

Where required, equivalent disclosures are given in the group accounts of The Royal Bank of Scotland Group plc, these accounts are available to the public and can be obtained as set out in note 8.

The changes to IFRS that were effective from 1 January 2018 have had no material effect on the Company's financial statements for the period ended 31 December 2018.

**b) Revenue recognition**

Fees in respect of services are recognised as the right to consideration accrues through the performance of each distinct service obligation to the customer. The arrangements are generally contractual and the cost of providing the service is incurred as each service is performed. The price is usually fixed and always determinable.

**c) Production outsourcing fees**

The production outsourcing fees includes cost for the initial planning, set up, project management and configuration required for the launch of the prepaid payment card programme services to the Company and are recorded in the statement of comprehensive income.

**d) Taxation**

Income tax income, comprising current tax is recorded in the profit and loss account except income tax on items recognised outside profit or loss which is credited or charged to other comprehensive income or to equity as appropriate.

Current tax is income tax payable or recoverable in respect of the taxable profit or loss for the period arising in income or in equity. Provision is made for current tax at rates enacted or substantively enacted at the balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS

## 2. Operating expenses

	2018 £
Bank Interest	8
Production outsourcing	90,000
Audit fee	16,500
	<u>106,508</u>

The production outsourcing fees are paid to Prepay Technologies Limited which will provide the initial planning, set up, project management and configuration required for the launch of the prepaid payment card programme services to the Company.

**Auditor's remuneration**

Fees payable by the Company to auditors for the audit of the Company's annual financial statements are £16,500.

## 3. Tax

	2018 £
<b>Current tax:</b>	
UK corporation tax credit for the period	-
<b>Deferred tax:</b>	
Credit for the period	-
Tax credit for the period	-

The actual tax credit differs from the expected tax credit computed by applying the standard UK corporation tax rate of 19% as follows:

	2018 £
Loss before tax	106,508
Expected tax credit	(20,237)
Non deductible items	20,237
Actual tax credit	-

## NOTES TO THE FINANCIAL STATEMENTS

## 4. Amounts due from group companies

	2018 £
National Westminster Bank Plc	<u>100</u>

## 5. Amounts due to group companies

	2018 £
National Westminster Bank Plc	<u>1,008</u>

## 6. Accruals, deferred income and other liabilities

	2018 £
Audit fees	16,500
Other accruals	89,000
	<u>105,500</u>

## 7. Share capital

	2018 £
<b>Equity shares</b>	
Authorised:	
100 Ordinary Shares of £1	<u>100</u>
Allotted, called up and fully paid:	
100 Ordinary Shares of £1	<u>100</u>

The Company has one class of Ordinary Shares which carry no right to fixed income.

## 8. Related parties

**UK Government**

The UK Government through HM Treasury is the ultimate controlling party of The Royal Bank of Scotland Group plc. Its shareholding is managed by UK Government Investments Limited, a company it wholly owns and as a result, the UK Government and UK Government controlled bodies are related parties of the Company.

The Company enters into transactions with these bodies on an arms' length basis; they include the payment of UK corporation tax, Value Added Tax, regulatory fees and levies.

**Group Companies**

At 31 December 2018

The Company's immediate parent was:	
The smallest consolidated accounts including the company were prepared by:	National Westminster Bank Plc
The ultimate parent company was:	The Royal Bank of Scotland Group plc

All parent companies are incorporated in the UK. Copies of their accounts may be obtained from Legal Governance and Regulatory Affairs, The Royal Bank of Scotland, Gogarburn, PO Box 1000, Edinburgh EH12 1HQ.