

# Glint Pay Ltd

Annual Report and Financial Statements

For the year ended 31 December 2021

Company Registration No. 09507932 (England and Wales)

# Glint Pay Ltd

## Company Information

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<b>Directors</b>	O R M Bolitho J D Cozens H Fukuda OBE M S A Grubb L Charbonnier	(Appointed 7 March 2022)
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<b>Secretary</b>	J D Cozens
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<b>Company number</b>	09507932
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<b>Registered office</b>	Kemp House 124 City Road London EC1V 2NX
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<b>Auditor</b>	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP
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# Glint Pay Ltd

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# Glint Pay Ltd

## Strategic Report

For the year ended 31 December 2021

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The directors present the strategic report for the year ended 31 December 2021.

### Fair review of the business

The business of the Glint Pay Ltd group of companies continued unchanged throughout the year under review. Glint Pay Ltd (the "Company") is a 100% parent of Glint Pay UK Ltd (GPUK), Glint Pay Services Ltd (GPS), Glint Pay Aps (part of the group post-balance sheet date) and Glint Pay Inc., together referred to as the Group. The Company is non-trading and its sole purpose is to hold investment in the subsidiary companies.

Glint is committed to building a secure and global gold based financial services ecosystem. Alongside fiat currencies such as USD, GBP and EUR, Glint technology makes it possible for physical gold bullion to be used in everyday payments by its account holders via its smartphone app and Mastercard. In doing so it is engaged in issuing electronic money (e-money) and providing payment services. Its proprietary system allows for physical gold bullion to be bought, securely stored as *allocated* gold at a Brinks vault that is insured by Lloyds of London, converted to e-money in multiple currencies or spent as e-money in payment transactions in any quantity anywhere in the world where Mastercard is accepted at real-time prices, thereby giving gold bullion direct liquidity.

Glint also now allows customers to send money, including gold, directly via Peer-to-Peer ("P2P") to other Glint Clients. It will, in the near future, also enable clients to transfer monies from their accounts via the Glint smartphone app to designated accounts across the global banking system.

Glint accounts are currently open to applicants from over 190 countries via its smartphone app which is run from the UK where its subsidiary, Glint Pay Services Ltd, is licensed and regulated by the FCA. It issues its Mastercard in the UK and USA but has ceased issuing new accounts to residents in the Single Euro Payments Area (SEPA) because of the post Brexit cessation of regulatory passporting permissions. Glint is currently planning a relaunch into SEPA and other geographical expansion opportunities are being evaluated.

### Post balance sheet date

Since the balance sheet date, the company resumed its growth momentum despite the restrictions arising from the Covid-19 global pandemic. The company had already implemented stress-testing in January 2020 for disaster recovery scenarios; management implemented a 'Work from Home' scenario with continuing operations uninterrupted. In spite of global COVID issues Glint experienced continued rising momentum during 2021 and 2022.

The pace of client acquisition and activity on the platform gained speed in 2021 with 100% growth in the number of registered users, gold on the platform and revenue. Q1 2022 has already seen over 80% growth in revenue on \$45m Q1 turnover with the Business reaching 195,000 registered users and 2.17 tonnes of gold on the platform.

The Business continues to innovate and new functionality on the Glint technology platform includes Peer-to-Peer (P2P) transfers, a Gold Portal that enables Wealth Managers to buy allocated gold whilst giving their clients unprecedented liquidity on their portfolio and Version 3 of the Glint retail app. V3 is expected to bring increased engagement and enable faster iterations with new revenue and growth features.

Another important advance is that Glint has evolved from an 'affiliate' to a 'principal' member of the Mastercard franchise which offers card issuing capability throughout the world.

As is typical with early stage FinTech companies, Glint currently relies on equity funding and has raised £5.6m of its current £10m funding round. Equity funding is a method of raising capital for a business by issuing shares of ownership, known as equity, to investors. In exchange for their financial contributions, investors receive a portion of the company's ownership, usually in the form of stocks or shares. This type of financing is often used by growing businesses to provide the necessary capital for growth and expansion.

The principal risk factors are listed below.

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# Glint Pay Ltd

## Strategic Report (Continued)

For the year ended 31 December 2021

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### Principal risks and uncertainties

#### **Business risk**

The directors consider the company's principal business risk to be failing to generate sufficient funding required to grow the Business to profitability.

#### **Operational risk**

The company's operations are overseen by management with decades of digital technology and financial markets experience, specifically in running payments, foreign exchange, and gold transactions. The risks to the company in client transactions are minimised by its proprietary Glint Payments Execution System (PES). This, combined with transaction monitoring, ensures accurate completion of all transactions on a 24 hour basis including weekends. In the event of a system failure, the Payments team immediately puts into effect telephone dealing to complete transactions. In relation to infrastructure risks, the Technology team is in place to immediately rectify any system faults.

The operational risks of the regulated subsidiary Glint Pay Services Ltd are underpinned by the Electronic Money Regulations ongoing capital (own funds) requirements. Authorised EMIs must hold at least €350,000. The FCA have also stipulated that, for the protection of client funds, this subsidiary maintains both solvent and insolvent wind down plans.

#### **Card Liquidity risk**

To ensure timely execution of client transactions and that client transactions do not fail for reasons of liquidity shortage, the company maintains an appropriate level of liquidity float with Mastercard at all times in the relevant currencies. The company does not foresee that there might be a sudden surge in demand within 24 hours to render the float inadequate; however it maintains at all times a line of credit to avoid such emergencies.

#### **Foreign Exchange risk**

The company actively manages its Treasury to ensure that there are at all times available liquidity in Pounds Sterling, US Dollars, and Euros appropriate, to minimise risks to the company from market fluctuations in foreign exchange.

The company reports in Pounds Sterling. Revenues earned in other currencies are translated into Sterling at the prevailing exchange rate.

#### **Gold bullion execution and settlement risk**

The company is not exposed to execution and settlement risk for client transactions in physical gold bullion *per se*. Gold transactions are at spot rate and must be prefunded by the client, Glint does not operate on margin. The gold liquidity provider, an LBMA full member, makes available at all times a float of a physical gold bar within an ombudsman account in the Brinks vault specifically for Glint client transactions. Therefore, the logistics of Clients' purchases and sales of gold take place within the vault. All purchases and sales are at the liquidity providers' real-time market quote fed through the Glint PES for 24-hour settlement. Client transactions in gold bullion are by definition outside the banking sector.

#### **Market risk**

The company has limited treasury risk exposure. However, it could be exposed to risk in times of unusual extreme fluctuations in foreign exchange markets or the physical gold bullion spot market. Most of these risks are mitigated as described above.

The company does not deploy nor have positions in derivative instruments.

# Glint Pay Ltd

## Strategic Report (Continued)

For the year ended 31 December 2021

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### **Counterparty risk**

The company is exposed to failures of its counterparties in foreign exchange and gold bullion. To mitigate the risk of banking counterparty failure, the company maintains its own funds in two separate banks, one of which is short-term A rated or equivalent.

Funds from clients resident in the UK, SEPA region and other countries excluding the USA are held in segregated and safeguarded accounts at Lloyds Bank PLC, and are separate from the bank's capital and from Glint's own corporate accounts. US client funds are held in segregated accounts at Sutton Bank, separate from Glint's own corporate accounts, where they are protected up to \$250,000 with Federal Deposit Insurance Corporation (FDIC) insurance.

### **Brexit risk**

The company was subject to changes in the regulatory environment as the UK left the European Union. In particular, as for all companies in the financial services sector, the company is affected by the end to the *passporting* regime. The company has established a legal entity in Denmark during 2022 which is in the process of regulatory registration in order to continue the service and issue to clients resident in Europe. EEA residents who had registered with Glint before 31 December 2020 and UK resident clients are not affected.

### **Covid-19 risk**

There was negligible impact on the business operations of the company from the lockdown and other measures introduced by the UK government. The company had put in place measures in readiness for *Work from Home* and other social contact restrictions. It also took precautionary and prudent steps, including terminating the physical office rental while moving to an office service location which provides meeting facilities until normal working conditions return. The prolonged period of lockdown and work from home guidance did impact the pace of fundraising efforts. Since April 2022 all lockdowns have ceased. This has given the staff greater opportunity to meet in person regularly and increase innovation and productivity.

### **Section 172(1) statement**

### **Decision Making and Governance**

The activities of the company are overseen by the Board of Directors, the majority of whom are *independent* as defined in the UK corporate governance code. Its philosophy and that of the company is to operate in a transparent culture with positive debate and practical challenge, including those of the Board Observers who represent significant capital commitment to the company.

The Board reviews the culture and manner in which the management operates as well as the company's performance at its regular meetings. All significant management decisions are discussed by the directors for their likely consequences in the long term for the performance of the company and for their impact on the company's long term strategic aims. The Board endeavours to ensure that activities of the company stay within the agreed strategy to build the business of the company. The impact that any corporate decision might have on all stakeholders - employees, suppliers and customers - are fully discussed at each meeting.

In addition to the principal risks discussed in the sections above, the Board and the management are very conscious of the risks emanating from increased environmental, social and governance challenges and address any impact that may arise from the company's operations.

### **Shareholders**

The CEO and members of the Board are in frequent communication with shareholders on the progress of the company both in person and through regular reports sent electronically under confidential cover.

### **Customers**

The company engages with customers through weekly e-mail newsletters and review platforms, providing the forum for suggestions and complaints and customer service is operational six days a week.

# Glint Pay Ltd

## Strategic Report (Continued)

For the year ended 31 December 2021

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### **Suppliers**

The Board seeks to ensure that there is a constructive working relationship with suppliers and service providers and that any contractual arrangements are in line with best practice and that their performance meets the expectation of the Board, the management, the employees and other stakeholders.

### **Our People**

Positive workplace culture attracts talent, drives engagement, impacts happiness and satisfaction, and affects performance. Management is committed to an open culture with weekly staff meetings, while ensuring that a high standard of business conduct is embedded throughout the company. Management has also implemented best practices such as employee surveys and one-on-one meetings in order to measure the pulse of the company culture.

On behalf of the board

J D Cozens  
**Director**

9 June 2023

# Glint Pay Ltd

## Directors' Report

For the year ended 31 December 2021

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The directors present their annual report and financial statements for the year ended 31 December 2021.

### Principal activities

The principal activity of the company and group continued to be that of the development of Glint, a comprehensive micro-services architecture to create a highly scalable and resilient savings and payment infrastructure.

### Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

O R M Bolitho  
J D Cozens  
H Fukuda OBE  
M S A Grubb  
L Charbonnier

(Appointed 7 March 2022)

### Auditor

In accordance with the company's articles, a resolution proposing that Moore Kingston Smith LLP be reappointed as auditor of the group will be put at a General Meeting.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

J D Cozens  
**Director**

9 June 2023



# Glint Pay Ltd

## Directors' Responsibilities Statement

For the year ended 31 December 2021

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The directors are responsible for preparing the Annual 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). 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 group and company, and of the profit or loss of the group 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 group and company will continue in business.

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

# Glint Pay Ltd

## Independent Auditor's Report

To the Members of Glint Pay Ltd

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### Opinion

We have audited the financial statements of Glint Pay Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Group Profit and Loss Account, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group 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 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 group's and parent 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 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.

# Glint Pay Ltd

## Independent Auditor's Report (Continued)

To the Members of Glint Pay Ltd

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report

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

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

### **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 group's and parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

# Glint Pay Ltd

## Independent Auditor's Report (Continued)

To the Members of Glint Pay Ltd

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### **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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# Glint Pay Ltd

## Independent Auditor's Report (Continued)

To the Members of Glint Pay Ltd

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### **Explanation as to what extent 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, Financial Conduct Authority, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

### **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 for no purpose other than to draw to the attention of the company's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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.

**Ryan Day (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

9 June 2023

**Chartered Accountants**  
**Statutory Auditor**

6th Floor  
9 Appold Street  
London  
EC2A 2AP

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# Glint Pay Ltd

## Group Profit and Loss Account

For the year ended 31 December 2021

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>3</b>	43,952,064	36,243,482
Cost of sales		(43,728,500)	(35,884,237)
<b>Gross profit</b>		<u>223,564</u>	<u>359,245</u>
Administrative expenses		(5,141,716)	(5,352,362)
Other operating income		-	60,000
Exceptional item	<b>18</b>	(448,198)	-
<b>Operating loss</b>	<b>8</b>	<u>(5,366,350)</u>	<u>(4,933,117)</u>
Interest receivable and similar income		88	7,381
Interest payable and similar expenses		(798,707)	(590,094)
<b>Loss before taxation</b>		<u>(6,164,969)</u>	<u>(5,515,830)</u>
Tax on loss	<b>6</b>	-	319,172
<b>Loss for the financial year</b>	<b>22</b>	<u><u>(6,164,969)</u></u>	<u><u>(5,196,658)</u></u>

Loss for the financial year is all attributable to the owners of the parent company.

# Glint Pay Ltd

## Group Balance Sheet

As at 31 December 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	9	2,963,297		3,471,017	
Tangible assets	10	8,337		4,486	
		<u>2,971,634</u>		<u>3,475,503</u>	
<b>Current assets</b>					
Stocks	13	7,762		16,374	
Debtors	14	1,129,341		529,098	
Cash at bank and in hand		4,679,709		3,173,539	
		<u>5,816,812</u>		<u>3,719,011</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(7,956,162)</u>		<u>(7,620,151)</u>	
<b>Net current liabilities</b>		<u>(2,139,350)</u>		<u>(3,901,140)</u>	
<b>Total assets less current liabilities</b>		<u>832,284</u>		<u>(425,637)</u>	
<b>Provisions for liabilities</b>					
Provisions	18	<u>(448,198)</u>		-	
		<u>(448,198)</u>		<u>-</u>	
<b>Net assets/(liabilities)</b>		<u><u>384,086</u></u>		<u><u>(425,637)</u></u>	
<b>Capital and reserves</b>					
Called up share capital	21	4,136		3,254	
Share premium account	22	24,187,149		17,447,845	
Equity reserve	22	897,453		662,947	
Profit and loss reserves	22	<u>(24,704,652)</u>		<u>(18,539,683)</u>	
<b>Total equity</b>		<u><u>384,086</u></u>		<u><u>(425,637)</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 9 June 2023 and are signed on its behalf by:

J D Cozens  
Director

# Glint Pay Ltd

## Company Balance Sheet

As at 31 December 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investments	11		5,549,693		5,299,693
<b>Current assets</b>					
Debtors	14	16,375,766		12,837,347	
Cash at bank and in hand		225,095		895,894	
		<u>16,600,861</u>		<u>13,733,241</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(2,811,678)</u>		<u>(5,277,728)</u>	
<b>Net current assets</b>			13,789,183		8,455,513
<b>Net assets</b>			<u>19,338,876</u>		<u>13,755,206</u>
<b>Capital and reserves</b>					
Called up share capital	21		4,136		3,254
Share premium account	22		24,187,149		17,447,845
Profit and loss reserves	22		<u>(4,852,409)</u>		<u>(3,695,893)</u>
<b>Total equity</b>			<u>19,338,876</u>		<u>13,755,206</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £1,156,516 (2020 - £1,036,138 loss).

The financial statements were approved by the board of directors and authorised for issue on 9 June 2023 and are signed on its behalf by:

J D Cozens  
Director

Company Registration No. 09507932



# Glint Pay Ltd

## Group Statement of Changes in Equity

For the year ended 31 December 2021

		Share capital	Share premium account	Share-based payment reserve	Profit and loss reserves	Total
	Notes	£	£	£	£	£
<b>Balance at 1 January 2020</b>		2,925	16,066,626	193,016	(13,796,126)	2,466,441
<b>Year ended 31 December 2020:</b>						
Loss and total comprehensive income for the year		-	-	-	(5,196,658)	(5,196,658)
Issue of share capital	21	329	1,381,219	-	-	1,381,548
Share-based payment movement in the year	21	-	-	469,931	-	469,931
Issue of convertible loan		-	-	-	453,101	453,101
<b>Balance at 31 December 2020</b>		3,254	17,447,845	662,947	(18,539,683)	(425,637)
<b>Year ended 31 December 2021:</b>						
Loss and total comprehensive income for the year		-	-	-	(6,164,969)	(6,164,969)
Issue of share capital	21	521	4,286,225	-	-	4,286,746
Share-based payment movement in the year	21	-	-	234,506	-	234,506
Conversion of loan to shares		361	2,453,079	-	-	2,453,440
<b>Balance at 31 December 2021</b>		4,136	24,187,149	897,453	(24,704,652)	384,086

# Glint Pay Ltd

## Company Statement of Changes in Equity

For the year ended 31 December 2021

		Share capital	Share premium	Profit and loss reserves	Total
	Notes	£	account £	£	£
<b>Balance at 1 January 2020</b>		2,925	16,066,626	(3,112,856)	12,956,695
<b>Year ended 31 December 2020:</b>					
Loss and total comprehensive income for the year		-	-	(1,036,138)	(1,036,138)
Issue of share capital	21	329	1,381,219	-	1,381,548
Issue of convertible loan		-	-	453,101	453,101
<b>Balance at 31 December 2020</b>		3,254	17,447,845	(3,695,893)	13,755,206
<b>Year ended 31 December 2021:</b>					
Loss and total comprehensive income for the year		-	-	(1,156,516)	(1,156,516)
Issue of share capital	21	521	4,286,225	-	4,286,746
Conversion of loan to shares	21	361	2,453,079	-	2,453,440
<b>Balance at 31 December 2021</b>		4,136	24,187,149	(4,852,409)	19,338,876

# Glint Pay Ltd

## Group Statement of Cash Flows

For the year ended 31 December 2021

		2021		2020	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	27	(1,518,146)		(1,912,789)	
Interest paid		(398,218)		(537,482)	
Income taxes (paid)/refunded		-		319,172	
<b>Net cash outflow from operating activities</b>		(1,916,364)		(2,131,099)	
<b>Investing activities</b>					
Purchase of intangible assets		(856,627)		(829,925)	
Purchase of tangible fixed assets		(7,673)		(1,837)	
Interest received		88		7,381	
<b>Net cash used in investing activities</b>		(864,212)		(824,381)	
<b>Financing activities</b>					
Proceeds from issue of shares		4,286,746		1,381,548	
Issue of convertible loans		-		2,453,440	
<b>Net cash generated from financing activities</b>		4,286,746		3,834,988	
<b>Net increase in cash and cash equivalents</b>		1,506,170		879,508	
Cash and cash equivalents at beginning of year		3,173,539		2,294,031	
<b>Cash and cash equivalents at end of year</b>		4,679,709		3,173,539	

# Glint Pay Ltd

## Notes to the Financial Statements

For the year ended 31 December 2021

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### 1 Accounting policies

#### Company information

Glint Pay Ltd ("the company") is a private limited company by shares domiciled and incorporated in England and Wales. The registered office is Kemp House, 124 City Road, London, EC1V 2NX.

The group consists of Glint Pay Ltd and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### 1.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2021. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 of the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 1 Accounting policies

(Continued)

#### 1.3 Going concern

The group made a loss for the year of £6,164,969 (2020: £5,196,658) and at the year-end had net current liabilities of £2,139,350 (2020: £3,901,140) and net assets of £384,086 (2020: net liabilities of £425,637).

In accordance with their responsibilities, the directors have considered and concluded upon the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. In making this going concern assessment, the directors have had regard to the following matters:

- The group's current performance and planned growth;
- The group's cashflow forecasts for a period of at least 12 months from the date of approval of these financial statements; and
- The parent company's track record of successful fundraising from shareholders and other investors, as evidenced in previous periods and the post balance sheet period.

The group has raised significant investment since 31 December 2021. Note 24 outlines funding raised during 2022 and 2023. Such funding would enable the Group to execute its business plan, realise the significant commercial opportunities available to it, and meet its liabilities as they fall due. Cashflow forecasts suggest that the cash available to the group will be sufficient for the group to meet its liabilities as they fall due during the 12-month period following approval of these financial statements.

Therefore, the directors have a reasonable expectation that the group will have access to adequate resources to continue in operational existence for the foreseeable future. For this reason, the company has continued to adopt the going concern basis in preparing the financial statements.

#### 1.4 Turnover

Turnover consists of fees charged to clients on transactions made during the year and gold sold to clients and our liquidity provider. Turnover is recognised at the time a transaction takes place.

#### 1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	5 years straight line
Development costs	5 years straight line

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	5 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### 1.10 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.12 Compound instruments

The component parts of compound instruments issued by the group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### 1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### 1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.15 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 1 Accounting policies

(Continued)

#### 1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.18 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

#### 1.19 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### 1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the date of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

#### Share Based payment transactions

The group uses the Black Scholes model to determine the fair value of options granted to employees. The calculation requires the use of estimates and assumptions. A change in these estimates or assumptions may affect charges to the profit and loss account over the vesting period of the options.

#### Amortisation

Intangible assets are amortised over their deemed useful economic life. This period has been determined via a review of the asset considering historic and future factors. The directors believe that the period over which the assets are amortised reflects the estimated useful economic life of the assets.

### 3 Turnover and other revenue

	2021 £	2020 £
<b>Turnover analysed by class of business</b>		
Sale of gold	43,578,479	35,959,962
Fees	373,585	283,520
	<u>43,952,064</u>	<u>36,243,482</u>

### 4 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	65,500	35,500
	<u>65,500</u>	<u>35,500</u>
<b>For other services</b>		
All other non-audit services	12,000	6,000
	<u>12,000</u>	<u>6,000</u>

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 5 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
26	16	-	-

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	865,050	788,414	-	-
Social security costs	183,574	148,755	-	-
Pension costs	16,868	15,076	-	-
	1,065,492	952,245	-	-

### 6 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	(319,172)

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Loss before taxation	(6,164,969)	(5,515,830)
<i>Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)</i>	(1,171,344)	(1,048,008)
Tax effect of expenses that are not deductible in determining taxable profit	(245,823)	46,230
Unutilised tax losses carried forward	1,414,812	999,183
Foreign exchange differences	2,355	2,595
Tax credit adjustment	-	(319,172)
Taxation charge/(credit) for the year	-	(319,172)

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 7 Directors' remuneration

	2021 £	2020 £
Remuneration paid to directors	92,004	93,684

### 8 Operating loss

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £20,406 (2020 - £20,885).

### 9 Intangible fixed assets

Group	Patents & licences £	Development costs £	Total £
<b>Cost</b>			
At 1 January 2021	567	6,374,724	6,375,291
Additions	-	856,627	856,627
At 31 December 2021	567	7,231,351	7,231,918
<b>Amortisation and impairment</b>			
At 1 January 2021	567	2,903,707	2,904,274
Amortisation charged for the year	-	1,364,347	1,364,347
At 31 December 2021	567	4,268,054	4,268,621
<b>Carrying amount</b>			
At 31 December 2021	-	2,963,297	2,963,297
At 31 December 2020	-	3,471,017	3,471,017

The company had no intangible fixed assets at 31 December 2021 or 31 December 2020.

In line with International Accounting Standards, Development Costs have been capitalised as the technical and commercial feasibility of the assets has been established, and it can be demonstrated that these will generate future economic benefits for the group.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 10 Tangible fixed assets

Group	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>			
At 1 January 2021	7,065	121,172	128,237
Additions	-	7,673	7,673
At 31 December 2021	7,065	128,845	135,910
<b>Depreciation and impairment</b>			
At 1 January 2021	7,065	116,686	123,751
Depreciation charged in the year	-	3,822	3,822
At 31 December 2021	7,065	120,508	127,573
<b>Carrying amount</b>			
At 31 December 2021	-	8,337	8,337
At 31 December 2020	-	4,486	4,486

The company had no tangible fixed assets at 31 December 2021 or 31 December 2020.

### 11 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	12	-	-	5,549,693	5,299,693

#### Movements in fixed asset investments

Company	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 January 2021	5,299,693
Additions	250,000
At 31 December 2021	5,549,693
<b>Carrying amount</b>	
At 31 December 2021	5,549,693
At 31 December 2020	5,299,693

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 12 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Glint Pay UK Limited	England and Wales	IT Development	1 Ordinary share	100
Glint Pay Services Limited	England and Wales	Gold trading	5,549,691 Ordinary shares	100
Glint Pay Inc.	USA	Gold trading	1 Ordinary share	100

### 13 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	7,762	16,374	-	-

### 14 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
Amounts owed by group undertakings	-	-	15,635,146	12,832,638
Other debtors	1,107,584	494,749	740,378	378
Prepayments and accrued income	21,757	34,349	242	4,331
	1,129,341	529,098	16,375,766	12,837,347

### 15 Current asset investments

Cash at bank and in hand of £4,679,709 (2020 - £3,173,539) includes £2,153,943 (2020 - £1,799,882) held in respect of customer balances in segregated bank accounts; the corresponding liability for which is held within creditors.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 16 Creditors: amounts falling due within one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Convertible loans	17	-	2,052,951	-	2,052,951
Trade creditors		748,722	509,153	137,488	44,183
Amounts owed to group undertakings		-	-	4,690	420,849
Other taxation and social security		493,868	205,761	-	-
Other creditors		6,324,156	4,478,777	2,650,000	2,598,731
Accruals and deferred income		389,416	373,509	19,500	161,014
		<u>7,956,162</u>	<u>7,620,151</u>	<u>2,811,678</u>	<u>5,277,728</u>

Other creditors includes a £2,500,000 Loan from Stockford Limited. During the year, an amendment to the loan terms was agreed and the repayment date was extended to April 2021, and subsequently to October 2022. During 2022, the repayment date was extended to March 2024.

For the period of extension to March 2024, interest will be payable at a rate of interest of 15% per annum.

The group's assets are subject to a fixed and floating charge in favour of Stockford Limited, a minority shareholder in the group.

### 17 Convertible loan notes

	Group 2021 £	2020 £	Company 2021 £	2020 £
Liability component of convertible loan notes	-	2,052,951	-	2,052,951

The net proceeds received from the issue of the convertible loan notes have been split between the financial liability element and an equity component, representing the fair value of the embedded option to convert the financial liability into equity.

The liability component is measured at amortised cost, and the difference between the carrying amount of the liability at the date of issue and the amount reported in the Balance Sheet represents the effective interest rate less interest paid to that date.

The effective rate of interest is 15%.

The equity component of the convertible loan notes has been credited to the equity reserve.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 18 Provisions for liabilities

The company's subsidiary, Glint Pay Services Ltd, has sought independent professional advice in relation to a VAT assessment of £448,198 (2020: £nil) raised by HMRC due to the status of its supplies. The matter is subject to a judicial review which is listed to be heard by the High Court in June 2023. If the claim is successful then HMRC has confirmed that the assessment will be withdrawn. If the claim is unsuccessful, the debt will need to be paid with interest (subject to any onwards appeal) and the company will seek a time to pay arrangement.

### 19 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	16,868	15,076

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 20 Share-based payment transactions

The Company operates a share options scheme which is currently open to key permanent employees, offering share in Glint Pay Limited. The employees are employed by Glint Pay UK Limited. During the year, 7,777,352 (2020: 18,901,826) options over new Ordinary Shares of £0.00001 were granted. The weighted average exercise price per option for the 2021 options was £0.08 (2020: £0.08). No share options have been exercised during the year.

The conditions for vesting vary for directors and for the rest of the employees. For directors, options vest upon specific events specified in their contract, whereas for employees the options vest 25% annually commencing from their employment start date and also upon specific events specified in the options contracts. All options must be exercised within ten years of the date of grant. Options are forfeited if the individual leaves the Company before the options vest.

### 21 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 0.001p each	398,176,892	310,024,364	3,982	3,100
Deferred shares of 0.001p each	15,423,000	15,423,000	154	154
	413,599,892	325,447,364	4,136	3,254

During the year 88,152,528 ordinary shares were issued at a premium ranging between £0.06788 and £0.08489 per share for cash.



# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### **22 Reserves**

#### **Share premium account**

Includes only premiums received on issue of share capital. Any transactions costs associated with issuing of shares are deducted from share premium.

#### **Share-based payment reserve**

Includes all share based payment expenses for options granted. In addition, the reserve includes the equity element of the convertible loan notes issued during the year.

#### **Profit and loss account**

Includes all current and prior year retained profits and losses.

### **23 Operating lease commitments**

Operating lease charges in the year amounted to £32,686 (2020: £92,920).

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

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### 24 Events after the reporting date

On 04 February 2022 8,720,040 Ordinary shares of £0.00001 each were issued in return for the provision of media and marketing services.

On 04 February 2022 55,125,350 Ordinary shares of £0.00001 each were issued at a premium of £0.0849 per share.

On 29 March 2022 8,873,142 Ordinary shares of £0.00001 each were issued at a premium of £0.08485 per share.

On 29 March 2022 702,179 Ordinary shares of £0.00001 each were issued at a premium of £0.06788 per share.

On 1 June 2022 6,528,247 Ordinary shares of £0.00001 each were issued at a premium of £0.08485 per share.

On 31 December 2022 11,015,913 Ordinary shares of £0.00001 each were issued at a premium of £0.13999 per share.

On 31 January 2023 10,854,942 Ordinary shares of £0.00001 each were issued at a premium of £0.13999 per share.

On 28 February 2023 1,084,596 Ordinary shares of £0.00001 each were issued at a premium of £0.13999 per share.

On 21 March 2023 1,285,714 Ordinary shares of £0.00001 each were issued at a premium of £0.13999 per share.

On 3 April 2023 2,214, 285 Ordinary shares of £0.00001 each were issued at a premium of £0.13999 per share.

On 5 April 2023 4,199,532 Ordinary shares of £0.00001 each were issued at a premium of £0.13999 per share.

On 25 April 2023 2,500,001 Ordinary shares of £0.00001 each were issued at a premium of £0.13999 per share.

### 25 Related party transactions

#### Group

#### Transactions with key management personnel

Total compensation of key management personnel (who are the directors) in the year amounted to £92,004 (2020: £92,004).

### 26 Controlling party

In the opinion of the directors there is no single controlling party.

# Glint Pay Ltd

## Notes to the Financial Statements (Continued)

For the year ended 31 December 2021

### 27 Cash generated from group operations

	2021 £	2020 £
Loss for the year after tax	(6,164,969)	(5,196,658)
Adjustments for:		
Taxation charged/(credited)	-	(319,172)
Finance costs	798,707	590,094
Investment income	(88)	(7,381)
(Gain)/loss on disposal of tangible fixed assets	-	8,358
Amortisation and impairment of intangible assets	1,364,347	1,200,646
Depreciation and impairment of tangible fixed assets	3,822	36,223
Equity settled share based payment expense	234,506	469,931
Increase in provisions	448,198	-
Movements in working capital:		
Decrease/(increase) in stocks	8,612	(10,614)
(Increase)/decrease in debtors	(600,243)	443,235
Increase in creditors	2,388,962	872,549
<b>Cash absorbed by operations</b>	<b>(1,518,146)</b>	<b>(1,912,789)</b>

### 28 Analysis of changes in net funds - group

	1 January 2021 £	Cash flows £	31 December 2021 £
Cash at bank and in hand	3,173,539	1,506,170	4,679,709
Convertible loan notes	(2,052,951)	2,052,951	-
	<u>1,120,588</u>	<u>3,559,121</u>	<u>4,679,709</u>

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.