

Registered number: 09708629

CB Payments, Ltd

Report and financial statements

For the period from 29 July 2015 to

31 December 2016

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CB Payments, Ltd

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CB Payments, Ltd

Company information

Directors

David Farmer

Nathalie McGrath

Zeeshan Feroz

Michael Lempres

Registered Office

9th Floor

107 Cheapside

London

EC2V 6DN

Company Number

09708629

Auditor

Moore Stephens LLP

150 Aldersgate Street

London

EC1A 4AB

CB Payments, Ltd

Directors' report

For the period ended 31 December 2016

The directors, present their report together with the audited financial statements for the period from incorporation 29 July 2015 to 31 December 2016. The company has yet to begin trading as at 31 December 2016.

Directors

The directors who served during the period were:

Brain Armstrong (appointed 29 July 2015, resigned 16 May 2016)

Fred Ehram (appointed 29 July 2015, resigned 27 January 2017)

David Farmer (appointed 16 May 2016)

Nathalie McGrath (appointed 16 April 2016)

Zeeshan Feroz (appointed 22 March 2017)

Michael Lempres (appointed 05 May 2017)

Results and Dividends

The results for the period are shown on page 7.

The directors do not recommend the payment of a dividend for the period.

Principal Activity

CB Payments is an e-money provider, enabling transactions for customers in contract (EUR, GBP, etc) and storing their funds online in accounts. The funds in these e-money accounts will be made available to the customers upon demand, and can be used to transact with related entities (namely, Coinbase, UK) through joint service agreements for a shared fee. This entity is not yet operating in this capacity and has not begun to transact with customers.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditors

The auditors, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Company Act 2006.

Small Company Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

CB Payments, Ltd

Directors' report

For the period ended 31 December 2016

Approved by the Board and signed on its behalf by:


Michael Lempres

Director

Date 02 October 2017

CB Payments, Ltd

Directors' responsibilities statement For the period ended 31 December 2016

The directors are responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

CB Payments, Ltd

Independent auditor's report to the members of CB Payments, Ltd

We have audited the financial statements of CB Payments, Ltd for the period ended 31 December 2016 which are set out on pages 7 to 12. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A "Small Entities" of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial 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 the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

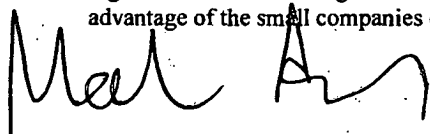
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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

CB Payments, Ltd

Independent auditor's report to the members of CB Payments, Ltd

- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Mark Ayres, *Senior Statutory Auditor*

For and on behalf of Moore Stephens LLP, Statutory Auditor .

150 Aldersgate Street
London
EC1A 4AB

Date: 3 October 2017

CB Payments, Ltd
Statement of comprehensive income
For the period ending 31 December 2016

	Note	2016 \$
Administrative expenses		<u>(162,813)</u>
Operating loss	5	(162,813)
Other interest receivable and similar income	6	52
Loss on ordinary activities before taxation		(162,760)
Taxation		-
Loss for the period and total comprehensive income		<u><u>(162,760)</u></u>

The notes on pages 10 to 12 form part of these financial statements.

CB Payments, Ltd
Statement of financial position as at 31 December 2016

Registered number: 09708629

	Note	2016 \$
Current assets		
Cash and cash equivalents		1,052,443
Rental Deposit		6,650
		<u>1,059,093</u>
Creditors: amounts falling due within one year	7	<u>(100,219)</u>
Net current assets		<u>958,874</u>
Total assets less current liabilities		<u>958,874</u>
Capital and reserves		
Share capital	8	1,121,635
Profit and loss account		<u>(162,760)</u>
Shareholders' funds		<u>958,874</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts of CB Payments, Ltd (registered number 09708629) were approved by the board of directors and authorised for issue on 07/10/17. They were signed on its behalf by:


Michael Lempres

Director

The notes on pages 10 to 12 form part of these financial statements.

CB Payments, Ltd
Statement of changes in equity
For the period ended 31 December 2016

	Share capital	Profit and loss account	Total
	\$	\$	\$
At 29 July 2015		-	
Shares capital issued	1,121,635	-	1,121,635
Loss for the period	-	(162,760)	(162,760)
At 31 December 2016	<u>1,121,635</u>	<u>(162,760)</u>	<u>(958,874)</u>

The notes on pages 10 to 12 form part of these financial statements.

CB Payments, Ltd
Statement of changes in equity
Notes to the financial statements

1. General Information

CB Payments, Ltd is a company incorporated in England and Wales under the Companies Act 2006.

The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

These financial statements are presented in US Dollars (USD), as that is the currency in which the company operates in. The company's functional currency is GBP as that is what the majority of the company's transactions are denominated. The financial statements comprise the financial statements of the company for the period ended 31 December 2016 and are presented to the nearest dollar.

The financial statements have been prepared using the going concern basis of accounting.

b. Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

c. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

CB Payments, Ltd
Statement of changes in equity
Notes to the financial statements

d. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

e. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

3. Critical accounting judgements

There are no material judgements or estimates in the preparation of these accounts.

4. Staff Costs

Directors' remuneration is borne by the parent company.

5. Operating loss

Operating loss is stated after charging:

	2016 \$
Auditors remuneration	6,394
Auditors remuneration – non audit services	2,877
Loss on foreign exchange	67,908
Operating lease	19,498
	<hr/>

6. Other interest receivable and similar income

	2016 \$
Interest on cash and cash equivalents	<hr/> 52

CB Payments, Ltd
Statement of changes in equity
Notes to the financial statements

7. Creditors: amounts falling due within one year

	2016
	\$
Trade creditors	6,280
Accruals	14,943
Amounts owed to parent company	78,995
	<u>100,219</u>

Amounts owed to parent company are unsecured, interest free and repayable on demand.

8. Share Capital

	2016
	\$
Allotted, issued and fully paid	
100 Ordinary shares of £0.001	0
1,000,000 Ordinary shares of €1	1,121,635
	<u>1,121,635</u>

9. Operating Leases

The total future minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2016
	\$
Within one year	<u>3,320</u>

10. Related party transactions

During the period the parent company, Coinbase Global Inc. has made payments on behalf of the company for the expenditure incurred amounting to \$78,995 which is the amount due at the period end.

11. Ultimate Controlling Party

The company's immediate and ultimate parent company is Coinbase Global Inc. a company incorporated in the United States of America.

In the opinion of the directors, there is not one controlling party as at 31 December 2016.