

REGISTERED NUMBER: 11246175 (England and Wales)

**Strategic Report, Report of the Director and
Financial Statements for the Period 9 March 2018 to 31 March 2019
for
Fincofex Limited**

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for the Period 9 March 2018 to 31 March 2019**

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Fincofex Limited
Company Information
for the Period 9 March 2018 to 31 March 2019

DIRECTOR: V Remi

REGISTERED OFFICE: 40 Bank Street
Level 18
Canary Wharf
London
E14 5NR

REGISTERED NUMBER: 11246175 (England and Wales)

AUDITORS: Botham Accounting Limited
Chartered Accountants
Statutory Auditors
14 Clarendon Street
Nottingham
Nottinghamshire
NG1 5HQ

**Strategic Report
for the Period 9 March 2018 to 31 March 2019**

The director presents his strategic report for the period 9 March 2018 to 31 March 2019.

REVIEW OF BUSINESS

Fincofex Limited's principal activity during the period was e-money transaction and implementation services.

Fincofex Limited promotes quality, efficiency and innovation. The company's mission is to provide competitive business payments, which translates into a product roadmap to transform businesses experience of payment processes. Some examples of the company's planned capabilities include virtual cards, prepaid cards, direct debits and international payments with 30+ currencies for over than 180 countries.

Fincofex Limited is focused on continual growth of its revenue by expanding its customer base in already existing markets and to reach for new markets and grow worldwide. In addition, the company continues development of strategic partnerships with a belief that several industries can benefit from its services.

PRINCIPAL RISKS AND UNCERTAINTIES

Fincofex Limited's operations are exposed to different risks which could potentially affect the company. The director has carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance or liquidity. The main risks and uncertainties that could affect the company are set out in the following paragraphs.

REGULATORY RISK

The company's regulatory risk is its compliance with applicable regulations for the activities it undertakes, such as the requirement to have robust governance arrangements or failure to observe money laundering guidelines. The company ensures that correct policies and procedures are in place with the rules of an Electronic Money Institution monitored and regulated by the FCA (Financial Conduct Authority).

OPERATIONAL RISK

Fincofex Limited relies heavily on its operational processes and IT and related communication systems. These processes and systems may not operate as expected, may not fulfil their intended purpose or may be damaged by disruptive events such as cybercrime or human error.

The company is investing in robust operational systems and controls to be able to respond to unexpected events in an organised and timely manner and undertakes rigorous planning and testing. In addition, there is a risk of the bank freezing operational accounts. Banks can freeze the account in case it suspects fraudulent activities through platform. In order to address this type of risk Fincofex Limited has robust KYC and AML procedures, and performs ongoing monitoring of transactions.

Fincofex Limited is committed to maintaining a control environment that enables it to respond effectively to emerging financial crime threats as the company continues to grow.

LIQUIDITY RISK

In order to ensure that sufficient funds are available for ongoing operations and future developments, Fincofex Limited is reliant on funds from shareholders. The company seeks to manage financial risk by ensuring sufficient liquidity and is available to meet foreseeable needs and to invest any surplus cash assets of the company safely and profitably, but based on the cash flow forecasts for Fincofex Limited, the director is confident that sufficient funds are in place for operations and developments.

**Strategic Report
for the Period 9 March 2018 to 31 March 2019**

BREXIT RISK

Following the result of the UK referendum on membership of the EU, the UK is likely to leave the EU in 2019. The company relies on the ability to passport its FCA licence through Europe and the UK leaving the EU might impact those passporting rights. The company has evaluated a number of European jurisdictions in which to obtain an additional e-money licence so that the company's services can continue to be offered through Europe after the UK leaves the EU and the company plans to have appropriate additional licensing in place well in advance of any potential change to passporting rights. If the change to passporting rights is implemented, Fincofex Limited's customers using its services in the EU, other than in the UK, may need to be transferred to the newly licensed company's entity. The director continues to monitor developments and will respond accordingly.

ON BEHALF OF THE BOARD:

V Remi - Director

25 October 2019

**Report of the Director
for the Period 9 March 2018 to 31 March 2019**

The director presents his report with the financial statements of the company for the period 9 March 2018 to 31 March 2019.

INCORPORATION

The company was incorporated on 9 March 2018 .

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of financial intermediation

DIVIDENDS

No dividends will be distributed for the period ended 31 March 2019.

DIRECTORS

The directors who have held office during the period from 9 March 2018 to the date of this report are as follows:

J Raubiske - appointed 9 March 2018

V Remi - appointed 9 March 2018

J Raubiske ceased to be a director after 31 March 2019 but prior to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Fincofex Limited (Registered number: 11246175)

**Report of the Director
for the Period 9 March 2018 to 31 March 2019**

AUDITORS

The auditors, Botham Accounting Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

V Remi - Director

25 October 2019

Report of the Independent Auditors to the Members of Fincofex Limited

Opinion

We have audited the financial statements of Fincofex Limited (the 'company') for the period ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements, 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 Financial Reporting Standard 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 company's affairs as at 31 March 2019 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 on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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

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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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.

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 this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Fincofex Limited

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 Strategic Report or the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Andrew Botham ACA (Senior Statutory Auditor)
for and on behalf of Botham Accounting Limited
Chartered Accountants
Statutory Auditors
14 Clarendon Street
Nottingham
Nottinghamshire
NG1 5HQ

25 October 2019

**Statement of Comprehensive Income
for the Period 9 March 2018 to 31 March 2019**

	Notes	£
TURNOVER	3	12,510
Cost of sales		<u>50,452</u>
GROSS LOSS		<u>(37,942)</u>
Administrative expenses		<u>55,419</u>
OPERATING LOSS and LOSS BEFORE TAXATION		(93,361)
Tax on loss	7	<u>-</u>
LOSS FOR THE FINANCIAL PERIOD		<u>(93,361)</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>(93,361)</u>

Fincofex Limited (Registered number: 11246175)

**Statement of Financial Position
31 March 2019**

	Notes	£
CURRENT ASSETS		
Debtors	8	19,024
Cash at bank		<u>270,839</u>
		289,863
CREDITORS		
Amounts falling due within one year	9	<u>68,224</u>
NET CURRENT ASSETS		<u>221,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>221,639</u>
CAPITAL AND RESERVES		
Called up share capital	11	315,000
Retained earnings	12	<u>(93,361)</u>
SHAREHOLDERS' FUNDS		<u>221,639</u>

The financial statements were approved by the director on 25 October 2019 and were signed by:

V Remi - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the Period 9 March 2018 to 31 March 2019**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	315,000	-	315,000
Total comprehensive income	-	(93,361)	(93,361)
Balance at 31 March 2019	<u>315,000</u>	<u>(93,361)</u>	<u>221,639</u>

Statement of Cash Flows
for the Period 9 March 2018 to 31 March 2019

	Notes	£
Cash flows from operating activities		
Cash generated from operations	15	<u>(91,584)</u>
Net cash from operating activities		<u>(91,584)</u>
 Cash flows from financing activities		
New loans in year		46,922
Amount introduced by directors		501
Share issue		<u>315,000</u>
Net cash from financing activities		<u>362,423</u>
 Increase in cash and cash equivalents		<u>270,839</u>
Cash and cash equivalents at beginning of period	16	-
 Cash and cash equivalents at end of period	16	<u>270,839</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Period 9 March 2018 to 31 March 2019**

1. **STATUTORY INFORMATION**

Fincofex Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The functional and presentational currency of Fincofex Limited is considered to be pounds sterling. The financial statements are rounded to the nearest pound.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Notes to the Financial Statements - continued
for the Period 9 March 2018 to 31 March 2019

3. **TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	£
United Kingdom	6,064
Europe	2,500
Asia	1,250
Rest of the World	<u>2,696</u>
	<u>12,510</u>

4. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the period ended 31 March 2019.

The average number of employees during the period was NIL.

	£
Directors' remuneration	<u>-</u>

5. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	£
Foreign exchange differences	<u>(330)</u>

6. **AUDITORS' REMUNERATION**

	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>4,020</u>

7. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the period.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Loss before tax	<u>(93,361)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19%	(17,739)
Effects of:	
Tax losses carried forward	<u>17,739</u>
Total tax charge	<u>-</u>

Notes to the Financial Statements - continued
for the Period 9 March 2018 to 31 March 2019

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Trade debtors	1,681
Prepayments and accrued income	<u>17,343</u>
	<u>19,024</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Other loans (see note 10)	46,922
Trade creditors	14,381
Directors' current accounts	501
Accruals and deferred income	<u>6,420</u>
	<u>68,224</u>

10. **LOANS**

An analysis of the maturity of loans is given below:

	£
Amounts falling due within one year or on demand:	
Other loans	<u>46,922</u>

11. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
315,000	Ordinary	£1	<u>315,000</u>

315,000 £1 shares were issued during the year at par.

12. **RESERVES**

	Retained earnings £
Deficit for the period	<u>(93,361)</u>
At 31 March 2019	<u>(93,361)</u>

13. **RELATED PARTY DISCLOSURES**

At the year-end, there was an amount due to a related party of £46,922.

14. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is T Baitaziyev by nature of his shareholding.

Notes to the Financial Statements - continued
for the Period 9 March 2018 to 31 March 2019

15. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	£
Loss before taxation	(93,361)
Increase in trade and other debtors	(19,024)
Increase in trade and other creditors	<u>20,801</u>
Cash generated from operations	<u>(91,584)</u>

16. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Period ended 31 March 2019

	31.3.19	9.3.18
	£	£
Cash and cash equivalents	<u>270,839</u>	<u>-</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.