

Annual Report &
Financial Statements

Driven by Success



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01

Introduction from the CEO

**Trust Payments. It's in our name.
It's in our people. It's in our DNA.**

Joined up thinking

Daniel Holden

Group Chief Executive Officer

2021

At a Glance



It's been an incredible year for Trust Payments. We've delivered outstanding financial growth, doubled our headcount, and expanded the depth and breadth of our product suite, to become a leading fintech disruptor.

Our aim is to help businesses optimise their sales and build truly world-class experiences for their customers. By combining and then embedding payments, banking and value added services into customer journeys we deliver our vision of Converged Commerce™ for next generation business.

We've now built a robust platform for scale across multiple industries, and through our acquisitions, have deepened our ability to support them: whether through integrated ePOS solutions or a direct-to-consumer ecommerce platform for merchants to accelerate their revenues.

Innovation continues to be at the core of everything we do and as we expand into 2022, our OneTrust culture - supported by excellent products and technology - will mean a very exciting journey ahead...



£108.7m ▲

Total revenues were up **73%** on 2020

73% ▲

Increase in net revenues on 2020

105% ▲

Increase in **EBITDA** on 2020

Trust Payments' expansion offers value-added services to customers, letting them develop commerce journeys beyond pure payments, & giving customers & partners greater choice & support for their businesses.

02

Our Mission & who we are

Why the grass
is greener

Our mission is to help businesses to optimise their sales & customers experience though facilitating speedy & seamless payments, loyalty, & data management creating truly Converged Commerce.™

Who are Trust Payments – fast facts

- Trust Payments is a disruptive leader in fintech with offices across the UK, EU and US.
- We specialise in frictionless payments and value-added services, providing on-demand Payments and Banking-as-a-Service services to help businesses grow and scale online, in-store, and on mobile.
- Our customers benefit from omnichannel services that span new innovative payments methods in crypto and bank transfers to drive Converged Commerce™.
- Since 2020, Trust Payments has acquired multiple businesses into its Group including WonderLane (retail operations and point of sale leaders); Stor (full e-commerce platform designed for small merchants); and Mobilize (specialists in mobile-based engagement and loyalty tracking).
- Focusing on any commerce providers in the UK, EU and US, Trust Payments drives value for our customers through personalised services, secure and frictionless payments, and innovative products.
- We have a global footprint with over 400 people based globally across 11 offices supporting the most demanding business sectors – from retail, travel and hospitality to crypto, gaming, and financial services.
- We have an acquiring network of over 50 global banks and hundreds of alternative payment methods.
- We hold Visa and Mastercard Principal Memberships in the EU for cross-border business
- We are licenced by both the Malta Financial Services Authority and the UK Financial Conduct Authority and hold licences in 7 US States to carry out regulated payments in gaming.

Our vision of Converged Commerce™



Trust Payments has trademarked and are pioneering a bold vision of Converged Commerce™ - a world where data from any commerce activity can be used to create a seamless interaction between the digital and physical worlds.

Converged Commerce™ is possible through omnichannel solutions. Data-driven intelligence helps merchants understand who is buying their products, where they are based, when they are buying and even why. Armed with such information, a retailer can make informed and targeted marketing decisions. This is just as valuable to eCommerce traders as it is to physical stores.

Payments nowadays need to be omnichannel. Converged Commerce™ means thinking like consumers do. The pandemic has led to huge rises in demand for contactless payments and faster options such as click & collect and QR codes.

At Trust Payments we are embracing this. Put simply, we need to make the customer journey seamless no matter how they choose to shop. This is where Converged Commerce™ comes in. It makes it easy for customer journeys to be seamless no matter how you are shopping. What you start on a device can still feel innovative when you go into a store to complete an experience and vice-versa.

Milestones from 2021



Licences & Regulations

- Trust Payments received an Authorised Payment Institution (API) License from the Financial Conduct Authority. This permits the business to engage in payment services directly in the UK without the need to rely on its existing EU licensing structures, or transitional arrangements in the wake of Brexit.



Acquisitions

- Trust Payments acquired retail technology leaders, WonderLane, to provide innovative retail operations technology solutions to any shop with its ePOS and inventory management offerings



-
- The group also acquired Stor, an innovative eCommerce platform that enables merchants to sell direct to consumers with powerful online shopping solutions to equip merchants with extensive easy-to-use tools.



428
EMPLOYEES
DOUBLED FROM 214 IN 2020

6 NEW OFFICE
LOCATIONS

Atlanta >

Bournemouth >

Bromley

Dublin >

Limassol

Harrogate >

50

HIRES VIA
KICKSTART
SCHEME



03

Our people

It's all in
the detail...

Our talent

People are the most important asset to our business. We pride ourselves on offering fantastic career opportunities for people to have a long-term career with our business and are proud to be a Best Companies Employer. In 2021, we were ranked number 28 in a financial services focused list of the best companies to work for in the UK.

To attract the best talent, we've modernised our Employer Value Proposition and updated our careers site with a focus on international advertising campaigns and partnerships to help us secure top talent quickly and effectively. Our time to hire has reduced to just 23 days as a result of this.

Our ability to onboard over 150 People during the pandemic virtually has further strengthened our OneTrust ethos through regular communication, events, onboarding of new people, mental health support and other wellbeing initiatives. We're also working with benefits partners to offer globally competitive incentives to all our people wherever in the world they work from.



150

new employees onboarded

23 Days

improvement in time to hire



Very talented

Commitment to learning, development & wellbeing

Learning & Development is also a priority for our HR team and we have rolled out LinkedIn Learning across the company and host regulatory training on the Skill Cast Learning Management System. We continue to focus on retention as one of the key success measures as a business.

Health, wellbeing and safety of our colleagues remains important for us. We are working with our colleagues to improve health awareness, introducing a range of initiatives such as regular yoga, nutrition and exercise classes and also have a number of mental health first aiders across our business. We set ourselves high safety standards and invest in monitoring, incident prevention, training and colleague engagement and are an ISO 45001 certified organisation.



At Trust Payments, our people are our lifeblood. They embody the focus on the word Trust which permeates through our products, our people & our DNA. Over the last year, our team has doubled in size internationally from 214 talented individuals to 428. Employee engagement is critical to our ability to retain & develop our talent to meet the needs of our stakeholders anywhere & anytime.

because we...

Embracing Environment, Social, Governance & Corporate Social Responsibility

Trust Payments is committed to running a sustainable business from both a profitability and human perspective. Our people help us to ensure that we are contributing to these goals at all times. Some of the notable efforts in 2021 include:

- Our dedicated Green Team organising several initiatives with environmental charities in Malta including clean-ups on beaches and local parks, training for colleagues around sustainable living and newsletters to promote green causes company-wide.
- Celebrating Pride month across the business including an inspirational presentation by Lauren Rowles, MBE, an openly gay Paralympic gold medallist for rowing.
- Circulating an education newsletter for LGBTQ+ History Month.
- Marking Black History Month with an excursion to the National Centre for Civil and Human Rights in the USA
- Running mandatory unconscious bias training for all employees
- Entering into diversity in tech awards and power lists
- Marking International Women's Day with internal and external communications featuring employee voices
- Securing 'Disability Confident Committed' employer status and being part of the government's 'Mindful Employer' charter
- Supporting the UK Government Kickstarter scheme to create new jobs for 16- to 24-year-olds on Universal Credit who are at risk of long-term unemployment. We hired 50 people on this basis across the company.

Gender diversity remains an issue for our sector, however we are proud that females currently make up 42% of our employee base.

Trust Payments has developed social and environmental policies which are designed to reduce the impact of the group's activities on the environment.





Over the coming year, we expect to amplify our approach to Environment, Social, Governance (ESG) & Corporate Social Responsibility (CSR) with dedicated leads added to the team. Our experience thus far will enable us to develop policies and governance structures, manage ESG risk and introduce new environmental and social impact initiatives that are relevant to our business and the regions we operate in.

Trust Payments is fully committed to gaining B Corp Accreditation, which will measure our entire environmental and social impact. An impact assessment will be completed to help us develop a clear roadmap and identify opportunities to have greater impact within these areas with the support of industry partners to help ensure the ESG issues that are important to our stakeholders are understood and managed. This will include employee consultation.

We are looking at ways of how we can improve our environmental impact and

how we measure this. We are currently undertaking an in-depth exercise to establish our carbon emissions and we are exploring setting appropriate Science Based Targets.

Diversity is also an important factor to our work in ESG & CSR. We are striving to build a sustainable colleague base which reflects the diversity of our communities and supports the delivery of our strategy for the long term. Gender diversity remains an issue for our sector, however we are proud that we females currently make up 42% of our employee base. Of course, diversity is not only about gender, and we recognise that building an inclusive culture is key to our future success.

Recognising all our employees as individuals and our company as socially responsible is important to us and we are committed to putting ESG & CSR at the heart of this as we continue to grow and scale.

Despite the continuing disruption & turmoil of COVID, the business has transformed its operations, go-to-market strategy and product suite & has therefore driven exceptional growth in the year, whilst also building a solid base for scalable growth into the future.



04

**Our
Global reach**

We are hands on

Malta sees



Now operating as Trust Payments (Malta) Ltd, our Malta team is now made up of over 120 skilled and experienced staff working from an established office headquarters in Birkirkara, which powers all back-office services to the Group.

Throughout the year, the Maltese arm has made great inroads across the island and has established itself as a key player when it comes to electronic payments – spanning both point of sale (POS) and eCommerce.

Trust Payments were appointed as preferred payments partner by the Chamber of Small and Medium Enterprises on the island. We also concluded a cooperation agreement with APS Bank, one of the local emerging banks which has an extensive base of business clients. Our technology is supported by a large number of integration partners including Lighthspeed and Micros Symphony.

250%

Growth in merchants across Malta in 2021

225%

Growth in volumes for POS merchants during 2021

120

skilled and experienced staff

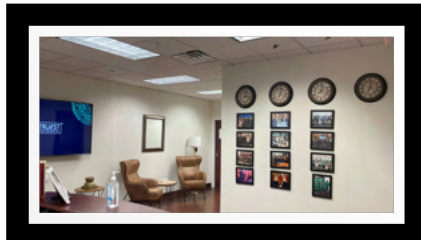
triple digit growth

Volumes for POS merchants during 2021 grew by 225% whilst the number of merchants went up by 250% reaffirming the strength of our brand in Malta. Core to this incredible year in Malta has been adoption of our proprietary Pay By Link product. A notable surge of interest came for this offering during enforced lockdowns on the island because it allowed merchants to continue to run transactions without the usual physical shop being open and tourism being 70% down on previous years while travel restrictions were in place.

Our success in Malta has helped us gain industry accolades. The business was recognised and rewarded by the Malta Business Review scooping three of their annual awards: "Best Payment Services Provider of the Year," "Best Financial Services Company of the Year" and "Best All Round Financial & Fintech Company of the Year."



US Office goes



30

Number of US employees, up from 5 in 2020

100%

our increase in merchant numbers across the US year-on-year

43

The number of US partners now working with Trust Payments including 30 ISOs.

16

The number of Stor specialists based in the US helping to launch the eCommerce product.

Trust Payments' presence in the US has accelerated at a rapid pace. We now have 30 employees based in our US offices and have moved to new offices in Roswell, Atlanta to accommodate all of our new hires in the country.

The expansion follows a period of rapid growth in the US. In 2021, Trust Payments saw a 100% increase in merchant numbers across the country when compared to 2020. Our team

has helped secure significant milestones in the market. We are now working with 30 ISOs, part of a community of 43 partners in the US.

Most recently, Trust Payments announced the appointment of O.B. Rawls IV, a former CEO of Global Payment Processing for Paysafe, as a member of its US advisory board. Rawls will advise the Trust Payments group on growth opportunities and its US market strategy.

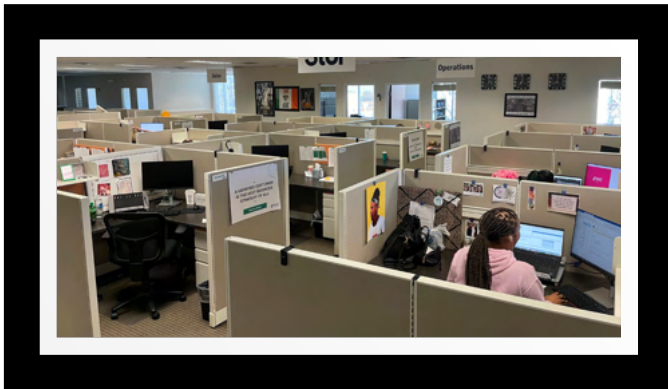


from strength to strength

Our presence in the US has been boosted with other propositions including lucrative contracts secured within gaming and commerce deals for high net-worth transactions consultancy offerings in luxury buying & selling. We have expanded our presence in gaming with a licence to trade in six states and have established new partnerships to

broaden our card payment solutions for casino betting, enhancing their pay-in pay-out offerings.

We also continue to prioritise our proposition in cryptocurrencies. Finally, we have a dedicated team of 16 specialists working solely on the Stor eCommerce proposition to help with the US launch of this innovative eCommerce offering.





Jonathan O'Connor
Group Chief Commercial Officer
CEO, Trust Payments USA

“Our vision is to help merchants drive sales and optimise their customer experiences. We are proud to have had a net merchant volume retention rate of over 100% globally in 2021.”

05

Trust Payments as an industry thought leader

People are
our business



Industry voice

As a company positioned at the forefront of innovation and creativity in fintech, Trust Payments is delighted to have contributed to a number of opportunities to showcase industry thought leadership.

We were key contributors to the Payments Association's latest green paper, "A new era for money," focused on the promising potential of Central Bank Digital Currencies (CBDCs) – which discusses the possibilities CBDCs would open up – not only in terms of the speed of digital transactions but also the opportunity for privacy in payments, as well as convenience and accessibility.

Group CEO Daniel Holden also contributed to The Economist Future Banking and Payments special discussing the business case for tackling payment challenges in the present and the future as businesses increasingly look to cut costs, drive

efficiency, and maximise shareholder value in the digital age.

Holden was also one of over 70 signatories in an open letter from Innovate Finance's Membership Community calling for further action on implementing recommendations made in the Kalifa Review.

Finally, Trust Payments is proud to be a featured contributor to the upcoming book Her Majesty The Queen: The Official Platinum Jubilee Pageant Commemorative Album, a fully illustrated coffee-table book that will bear the official event emblem and celebrate the life and reign of Her Majesty, showcasing a range of aligned organisations, all selected for their transformational contribution across the spheres of culture, society, technology and business.



The general wave of digitisation for merchants has driven different buying behaviours & payment options, & the group is well positioned to capture the uptick in these dynamics.

The background features a complex financial visualization. On the left, a bar chart shows a series of vertical bars in shades of blue and yellow, with heights varying across the horizontal axis. An orange line graph with circular markers is overlaid on the chart, showing a fluctuating trend. The overall aesthetic is digital and data-driven, with a dark blue background and glowing green and yellow lines and numbers.

06

Financial debrief: Trust Payments Statutory Accounts 2020-21

Driven
by Success

Trust Payments
COMPANY INFORMATION

Directors

D I Holden
J M Lindquist
M O Cilliers
M D V Rake

Registered number
Registered office

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1 Royal Exchange
London
EC3V 3DG

Independent auditor

Blick Rothenberg Audit LLP
Chartered Accountants & Statutory Auditor
16 Great Queen Street
Covent Garden
London
WC2B 5AHx

Trust Payments

Group strategic report for the year ended 31 December 2021

Introduction

Business review

The group's principal activities significantly expanded in 2021 and now consist of the provision of online and in-store technology solutions, together with fully integrated payment processing services to allow merchants and partners to support digitised commerce across all channels. Within this, key services include regulated merchant acquiring services, data management, and innovative products designed for key verticals.

The business combines a scalable, global technology platform, which supports global credit/debit card and hundreds of local payment methods, together with its own regulated financial services business, licenced by Visa and Mastercard as Principal Members. This is coupled with value added services for merchants, including an all-in-one platform for eCommerce website creation and direct-to-consumer sales, and an integrated ePOS software solutions for high-volume retail and grocery sales.

These solutions support its Converged Commerce (TM) strategy of providing combined omnichannel payments, data and value added services to help merchants grow their businesses across borders, and be accessible across all channels (mobile, eCommerce, Point of Sale and integrated systems).

The directors consider Gross Revenue, Net Revenue, Gross Profit, merchant retention and Adjusted EBITDA (as defined in Note 29) to be the primary Key Performance Indicators of the group. In 2021, the group has seen total revenues grow strongly, up 73%, to £108.7m (2020: £62.7m), Net Revenues have increased to £70.2m, up 73%, (2020: £40.5m) which are defined as total revenues less interchange and scheme fees, and net merchant volume retention was over 100%.

This is supported by our expanding and broadening range of people. During 2021, total employees averaged 312 people, up 50% from 208 the previous year, and showed the level and depth of our expanded expertise and desire to deepen our unique product range with superb customer service and support.

The majority of foreign exchange gains relate to the translation of intercompany balances at the year end exchange rate.

All merchant balances held at the group's regulated subsidiary, Trust Payments (Malta) Limited, are held in segregated bank accounts and as such meet the Payments Services Directive ('PSD2') safeguarding regime requirements.

Core operational profitability is very strong, and has supported key investments in technology, people and systems to drive scale and future growth.

98% of revenues were organic, but during the year, the group acquired three companies: Core Cloud Group Ltd. (trading as Stor), Global Automate Technologies (PVT) Ltd (trading as Ammfy) and WL Solutions Limited (trading as Wonderlane). Stor provides a direct-to-consumer ecommerce platform which enables businesses to sell goods and services online, supported by compelling tools for accelerated growth. Ammfy is a Sri

Trust Payments

Group strategic report for the year ended 31 December 2021

Lankan based technology marketplace. Wonderlane provides ePOS software systems to large regional and national grocery chains, and specialises in exceptionally engaging systems to speed up and delight the customer journey.

In combination, the businesses supplement the core payments business with key systems.

Despite the continuing disruption and turmoil of COVID, the business has transformed its operations, go-to-market strategy and product suite and has therefore driven exceptional growth in the year, whilst also building a solid base for scalable growth into the future.

At the year end, the group had cash and cash equivalents of £73.5m (2020: £36.4m) and net liabilities of £22.8m (2020: £19.9m) as a result of the loss for the period. The group is thinly capitalised, supported by securitised debt facility of £97.5m (2020: £73.8m) at rates between 14% and 20% which expire between Q1 and Q3 2023. Given the positive trajectory of the business, and its repositioning as a highgrowth fintech, the management team is very confident that a recapitalisation exercise in due course will provide an appropriate capital structure.



Trust Payments

Group strategic report for the year ended 31 December 2021

Description of principal risks and uncertainties

The turnover of the group consists of income from the provision of payment services, including merchant services and associated services, as well as data, fraud prevention and loyalty services. Sales are dependent on the group being able to continually offer its customers cost effective, versatile and reliable products while complying with ever changing demands of the environment in which it operates, including changes in global government and regulatory policies, and consumer behaviours.

The group, as it adapts to global changes in its markets, needs to ensure that it can maintain strong internal controls and procedures.

The group's principal financial instruments comprised cash in liquid resources and various items such as trade receivables and trade payables that arise directly from its operations and debt financing provided by investors.

The main risk arising from the group's financial instrument is liquidity risk. The group finances its operations through a mixture of share capital, income from sales and secured debt. Liquidity risk is monitored using a liquidity gap model which calculates the net cash flows of the group or of individual companies over time in order to detect any critical points in the expected liquidity. The total liquidity requirement is calculated as the sum of the negative gaps (outflows greater than inflows) recorded for each individual time period. Any positive gaps found in a time period are used to reduce negative gaps in subsequent periods.

Trade receivables are managed in respect of credit and cash flow risk by policies concerning the credit offered to purchasing authorities and the regular monitoring of amounts outstanding for both time and credit limits. The group has recently updated its monitoring of merchant debit balances so that reviews are undertaken on a more regular basis to mitigate this risk. Trade payables liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Foreign currency risk is the risk that the group will sustain losses through adverse movements in currency exchange rates. The group's business is impacted through its exposure to some of its fee income being in US dollars and Euros, but there is no inherent foreign exchange risk in the processing of non like for like currencies for the merchant services business.

The group is exposed to the impact of changes in relationships with its customers and suppliers. It is a key task for the operational management in each business to maintain and develop relationships with customers and suppliers during the initial transition period and further into the future.

One member of the group, Trust Payments (Malta) Ltd is required to comply with the minimum capital requirements set out by the Malta Financial Services Authority ("MFSA"). The minimum capital requirement must be maintained at all times throughout the financial period. Trust Payments (Malta) Ltd its capital level on a regular basis. Any transactions that may potentially affect the capital requirements are immediately reported to the directors and shareholders for resolution prior to notifying the MFSA.

Trust Payments

Group strategic report for the year ended 31 December 2021

During the financial period ended 2021, Trust Payments (Malta) Ltd met at all times the minimum capital requirements imposed by the regulatory authority. As at 31 December 2021, the minimum capital requirement amounted to £1,981,079 (€2,359,465) (2020: £1,717,955 (€1,904,388)) which is lower than the funds of Trust Payments (Malta) Ltd that were £23,530,579 (€28,024,920) (2020: £5,858,915 (€6,494,724)).



Trust Payments

Group strategic report for the year ended 31 December 2021

Future developments

The general wave of digitisation for merchants has driven different buying behaviours and payment options, and the group is well positioned to capture the uptick in these dynamics.

As a truly omni channel provider of payments, the December 2021 acquisition of retail technology leaders WonderLane by the group has enabled the company to expand into Android based point of sale terminals, integrated and mobile solutions for merchants and partners and developed a broader proposition for merchants. Additionally, the acquisition of Stor - an innovative eCommerce platform enabling merchants to sell direct to consumers - will accelerate Trust Payments' offering in the SME sector - where many businesses struggle with digitisation strategies. Going forward this expansion offers value-added services, to customers, letting them develop commerce journeys beyond pure payments, and giving customers and partners greater choice and support for their businesses.

There has undoubtedly been strong growth in 2021, but the underlying investment in core operations and product changes has now positioned the business well for strong future scaling. In addition, the group has recently gained its FCA licence in the UK, to supplement the existing EU based licence, which will ensure regulatory and operational continuity post Brexit, and provide optimal dynamic payment routing options to our merchants. Other innovative developments to look forward to include the ability for Trust Payments to offer its own IBANs to customers.

Acquisitions

As briefly mentioned above, during 2021, the group purchased Stor, a platform that offers powerful online shopping solutions to equip merchants with extensive easy-to-use tools and WonderLane, retail operations technology specialists who partner with global retailers to connect and deliver exceptional customer experiences in store and online through intelligent, fit for purpose technology. Their offering centres on Cloud-native, Android- based technologies deliver real-time, remote configurations, speeding up the checkout process, engaging customers and providing single view of products, customers, and inventory.



Trust Payments

Group strategic report for the year ended 31 December 2021

The business continues to seek non organic growth through relevant, strategic acquisitions in its chosen vertical markets.

Coronavirus

On 11 March 2020 the World Health Organisation declared that the outbreak of Covid 19 represents a pandemic. The group's client base is diversified and we are not significantly exposed to the performance of individual sectors. The share of revenue derived from our customers in travel, hospitality and retail has declined since the social distancing measures were put in place in the countries in which we operate. Vaccine rollouts across our core geographical markets helped make 2021 slightly better but whilst the overall growth in 2021 was not delivered in the same way or in the same industries as originally planned, the business proved robust and refocused its sales and marketing efforts in other ways, including contactless and non physical methods of payment. In addition, as set out in note 2.3 to the financial statements, the directors have forecast that the business has sufficient funds available to continue to settle our liabilities, maintain capital adequacy requirements and maintain our planned capital spend.

Our staff are able to work at home effectively and we have experienced little operational disruption to our business. The business was able to launch new office spaces in Harrogate, UK, Bromley, UK, Atlanta, US, Dublin, Ireland and in Cyprus once restrictions were lifted and staff have made use of these spaces when restrictions have allowed them to.

Ukraine

The group continues to monitor the ongoing situation in Ukraine and hopes for a prompt and peaceful resolution to the crisis.

The group is continuing to respond to the requirements of Card Schemes to ensure that appropriate transactions are blocked. The group has robust policies in place for merchant screening. Volumes generated from Russia and Ukraine have historically been very low and therefore the group does not expect a material impact on the business.

The group has minimal exposure to supply chains or contract employees based in Russia or Belarus. However, as a matter of policy, all such connections or connected companies will be terminated or removed from supply activities by end of March 2022. The group has made a charitable contribution to the Red Cross to support their humanitarian work in Ukraine.

Streamlined Energy Carbon Reporting

Trust Payments Limited is required to report its UK energy use and carbon emissions in accordance with the UK Companies Act 2006.

The energy consumption is limited to the office building in which we lease to operate our business.

The reporting of the emissions resulting from activities for which the company is responsible involving the combustion of gas or the consumption of fuel for the purpose

Trust Payments

Group strategic report for the year ended 31 December 2021

of transport is not applicable. The consumption of fuel in employee owned vehicles used for business purposes is outside the scope of this report.

Trust Payments Limited operates from many offices within the UK and has reported on the emissions from the electricity it used. This has been obtained from gathering data from electricity, gas and water bills.

The data presented below represent emissions and energy use for which Trust Payments is directly responsible. This has been obtained from gathering data from electricity, gas and water bills. Where electricity, water and gas procurement does not fall within Trust Payments control and fall within scope 3 emissions, have not been reported which is the case for a number of our UK leases. The reported scope 3 emissions comprise the consumption of fuel in employee-owned vehicles used for business purposes.

The data presented represents the 12 month period from 1 January 2021 to 31 December 2021, with the comparative period representing the 12 month period from 1 January 2020 to 31 December 2020.

	2021	2020
Total energy consumption	158,272 kWh	399,772 kWh
Total water consumption	230 Cubic metres	230 Cubic metres
Emissions from combustion of gas (scope 1)	8,585 kgCO₂e	21,552 kgCO ₂ e
Emissions from purchased electricity (scope 2)	23,816 kgCO₂e	65,976 kgCO ₂ e
Emissions from purchased water (scope 3)	34 kgCO₂e	79 kgCO ₂ e
Emissions from business travel in employee owned vehicles (scope 3)	7,857 kgCO₂e	n/a
Total gross emissions	40,292 kgCO₂e	87,607 kgCO ₂ e
Annual emissions per employee (UK FTE)	159 kgCO₂e/employee	893 kgCO ₂ e/employee

Comparison to previous financial year

Transitioning from in-house to cloud-based servers in the prior year has led to a significant reduction in our energy consumption. The cloud-based platform selected can operate its servers in a more energy efficient manner due to economies of scale. The requirement to work from home due to the ongoing coronavirus pandemic also contributed to the reduction in our energy consumption.

Trust Payments
**Group strategic report
for the year ended 31 December 2021**



Primary energy efficiency measures implemented

Throughout the year, the group has continued the transition from using in-house servers to utilising a cloud- based server. A ‘Green Team’ committee has also been established to help identify opportunities that improve the sustainability of the business facilities and operations.

The group has a strong focus on sustainability, both in its business practices and culture. During 2021, the group invested in ESG and CSR departments, and is working towards a B-Corp status. The group was classified in several of the “Best Companies” to work for categories.

Methodology

The methodology used in the creation of this SECR report is consistent with the requirements of the Greenhouse Gas Protocol Corporate Standard along with the UK Government GHG Conversion Factors for Company Reporting 2021. Organisational boundaries and scoping of greenhouse gas emissions are based on this protocol while the primary energy efficiency measures highlighted qualitatively have been created upon energy management best practice.

Trust Payments

Group strategic report for the year ended 31 December 2021

Statement by the directors on performance of their statutory duties in accordance with S172 (1) Companies Act 2006

Section 172 (1)(a) to (f) requires the directors to act in the way they consider would be most likely to promote the success of the company for the benefit of its members, as a whole, with regard to the following matters:

a) The likely consequences of any decision in the long-term

The directors believe that they have acted in the way they consider, in good faith, to promote the long term success of the group. Governance of the business is formalised in regular board meetings, with input from appropriate strategic advisors. Financial budgets until 2022 have been prepared allowing local and group management to assess the long term impact of operational and strategic decisions.

b) The interests of the group's employees

The directors consider our people to be a key asset and the interests of our employees are considered when decisions are taken. The directors take care over the well being and competency of staff via regular on the job training and consultations with employees. Significant investment in people and HR systems to promote good management, assessment and career development of people continues to be made in the group.

c) The need to foster the group's business relationships with suppliers, customers and others

The directors aim to work in partnership with customers and suppliers who reflected similar values and behaviours to the group. Resources have been designated to increase the number and consistency of our customer account management functions, as well as put in place strategic partnership roles for managing and communicating to current and potential suppliers. These resources include the development of social, ethical and environmental responsibility policies to ensure improved long term position of the business.

d) The impact of the group's operations on the community and environment

The directors are mindful of the communities in which the business operates. Given the global nature of the business, with several regional sites in the UK, Malta and the USA, it is important to have appropriate support to local communities. Where practical, these differences are considered and supported, including working arrangements, supply and community relations. The group has developed social and environmental policies which are designed to reduce the impact of the group's activities on the environment. A standing committee on the board looks at these issues regularly and puts best practice recommendations forward as appropriate.

e) The desirability of maintaining a reputation for high standards of business conduct

As part of the financial services community, it is of vital importance that high standards of professional business conduct are maintained. Strong ethical and business rigour is embedded via onboarding training for new employees, and continued professional development programmes, delivered online, for existing employees. All employees are required to pass appropriate courses, such as anti money laundering and data protection. The directors' intentions are to behave responsibly and ensure that

Trust Payments

Group strategic report for the year ended 31 December 2021

management operate the business in a responsible manner, whilst adhering to the high standards of business conduct and good governance expected.

f) The need to act fairly between members of the group

The group has a number of subsidiary entities. As such, communication between the geographic locations, and the interplay between services or functions offered by different locations is vital.


Part of the business strategy is to support a group wide deployment of our services seamlessly to the end customer, regardless of which entity or geography they are deployed from. This is also of huge benefit to global enterprises or customers wishing to expand overseas.

Each member of the group is regularly updated about the performance of the group and provided with equivalent financial and strategic reports and updates. An executive management team, representing different areas of the business operates at a group level.

In addition to this the group has appointed members to each subsidiary board to ensure that their interests are fairly reflected at this level and decisions made by the group are in line with the strategic aim of all members.

This report was approved by the board and signed on its behalf.

D I Holden
Director



Date: 11 March 2022



Trust Payments **Directors' Report** **for the year ended 31 December 2021**

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

Principal activities

The group's principal activities significantly expanded in 2021 and now consist of the provision of online and in- store technology solutions, together with fully integrated payment processing services to allow merchants and partners to support digitised commerce across all channels. Within this, key services include regulated merchant acquiring services, data management, and innovative products designed for key verticals.

Results and dividends

Revenue in the year amounted to £108,654,053 (2020: £62,689,486).

The loss for the year, after taxation, amounted to £3,541,409 (2020 - loss £13,157,741).
The directors do not recommend a dividend for the period.

Directors

The directors who served during the year were:

D I Holden
J M Lindquist
M O Cilliers
M D V Rake

Matters covered in the strategic report

As permitted by s414c(11) of the Companies Act 2006, the directors have elected to disclose information, required to be in the directors' report by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008', in the strategic report.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

This report was approved by the board and signed on its behalf.

D I Holden
Director

Date: 11 March 2022



Trust Payments

Directors' Responsibilities Statement for the year ended 31 December 2021

The directors are responsible for preparing the group strategic report, directors' report and the consolidated financial statements, in accordance with applicable law.

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law they have elected to prepare the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK and the separate parent company financial statements under Financial Reporting Standard 101 (FRS 101 Reduced Disclosure Framework). Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing the consolidated financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the UK, subject to any material departures disclosed and explained in the financial statements;



Trust Payments

Directors' Responsibilities Statement for the year ended 31 December 2021

- state whether the separate financial statements have been prepared in accordance with FRS 101 Reduced Disclosure Framework, subject to any material departures disclosed and explained in the financial statements;
- assess the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



Trust Payments

Independent auditor's report to the members of Trust Payments Ltd

Opinion

We have audited the financial statements of Trust Payments Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of cash flows, the consolidated statement of changes in equity and the company statement of changes in equity and the notes, including a summary of significant accounting policies set out on pages 62 - 72. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. The financial reporting framework that has been applied in the preparation of the separate parent financial statements is applicable law and Financial Reporting Standard 101 (FRS 101 Reduced Disclosure Framework).

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 the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs;
- separate parent financial statements have been properly prepared in accordance with UK accounting standards, FRS 101 Reduced Disclosure Framework, and
- the financial statements 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 and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 or the 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.

Trust Payments

Independent auditor's report to the members of Trust Payments Ltd

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.

Opinion 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 group 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 group 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 group strategic report or the directors' report.

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

- adequate accounting records have not been kept 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.

Trust Payments

Independent auditor's report to the members of Trust Payments Ltd

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on pages 42 – 43, 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 the 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.

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.

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 engagement partner ensured that the engagement team, including significant component auditors, collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the technology sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, employment legislation and Payment Card Industry Data Security Standards;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Trust Payments

Independent auditor's report to the members of Trust Payments Ltd

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and
- reviewed the findings of audit work performed on journals and management override by auditors of significant components.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and Payment Card Industry Security Standards Council approved assessors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Trust Payments

Independent auditor's report to the members of Trust Payments Ltd

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Hough (senior statutory auditor)

for and on behalf of
Blick Rothenberg Audit LLP

Chartered Accountants
Statutory Auditor

16 Great Queen Street
Covent Garden London
WC2B 5AH

Date: 11 March 2022



Just saying

£108.7m

Total revenues were up **73%** on 2020

73%

Increase in net revenues on 2020

105%

Increase in **EBITDA** on 2020



07

The numbers

It all adds up

Trust Payments
**Consolidated Statement of profit or loss
for the year ended 31 December 2021**

		2021	2020
	Note	£	£
Revenue	5	108,654,053	62,689,486
Cost of sales		(65,811,001)	(36,574,661)
Gross profit		42,843,052	26,114,825
Administrative expenses	4	(34,357,054)	(24,370,816)
Other operating income	6	274,987	281,779
Profit from operations		8,760,985	2,025,788
Finance income and expense	9	(10,911,404)	(13,536,884)
Fair value gains	27.2	62,270	131,250
Loss before taxation		(2,088,149)	(11,379,846)
Tax on loss	16	(1,453,260)	(1,777,895)
Loss for the year		(3,541,409)	(13,157,741)



Trust Payments
**Statement of other comprehensive income
 for the year ended 31 December 2021**

	2021	2020
	£	£
Loss for the year	(3,541,409)	(13,157,741)
Exchange (losses)/gains arising on translation on foreign operations	(159,571)	665,435
	(159,571)	665,435
Other comprehensive income for the year, net of tax	(159,571)	665,435
Total comprehensive income	(3,700,980)	(12,492,306)



Trust Payments
Consolidated Statement of Financial Position
as at 31 December 2021

	Note	2021 £	2020 £
Assets			
Non-current assets			
Property, plant and equipment	10	5,175,713	1,554,085
Investment property	12	-	616,823
Other intangible assets	13	37,740,542	16,621,263
Goodwill	14	56,036,471	47,102,871
Deferred tax assets	16	124,383	2,122,913
		99,077,109	68,017,955
Current assets			
Trade and other receivables	17	35,610,071	24,367,190
Cash and cash equivalents	18	73,450,522	36,439,700
Investments held at fair value	27.2	9,215,403	9,509,861
		118,275,996	70,316,751
Total assets		217,353,105	138,334,706
Liabilities			
Non-current liabilities			
Trade and other liabilities	20	3,783,766	-
Loans and borrowings	21	100,934,808	75,484,632
Deferred tax liability	16	4,282,150	1,976,530
		109,000,724	77,461,162
Current liabilities			
Trade and other liabilities	20	130,843,998	80,479,556
Loans and borrowings	21	350,332	298,272
		131,194,330	80,777,828
Total liabilities		240,195,054	158,238,990
Net liabilities		(22,841,949)	(19,904,284)

Trust Payments
**Consolidated Statement of Financial Position
as at 31 December 2021**

	Note	2021 £	2020 £
Issued capital and reserves attributable to owners of the parent			
Share capital	22	100	100
Foreign exchange reserve		287,667	447,238
Retained earnings		(23,129,716)	(20,351,622)
Total equity		(22,841,949)	(19,904,284)

The financial statements on pages 51 - 116 were approved and authorised for issue by the board of directors and were signed on its behalf by:

D I Holden
Director



Date: 11 March 2022

The notes on pages 62 - 116 form part of these financial statements.

Trust Payments
Company Statement of Financial Position
as at 31 December 2021

	Note	2021 £	2020 £
Assets			
Non-current assets			
Property, plant and equipment	10	2,354,263	11,976
Other intangible assets	13	7,493,436	3,223,538
Investments	14	88,043,873	64,942,992
		97,891,572	68,178,506
Current assets			
Trade and other receivables	17	11,862,985	5,728,303
Cash and cash equivalents		45,079	1,253
		11,908,064	5,729,556
Total assets		109,799,636	73,908,062
Liabilities			
Non-current liabilities			
Trade and other liabilities	20	3,783,766	-
Loans and borrowings	21	99,378,517	73,818,363
		103,162,283	73,818,363
Current liabilities			
Trade and other liabilities	20	41,299,583	19,824,745
		41,299,583	19,824,745
Total liabilities		144,461,866	93,643,108
Net liabilities		(34,662,230)	(19,735,046)

Trust Payments
**Company Statement of Financial Position
as at 31 December 2021**

	Note	2021 £	2020 £
Issued capital and reserves attributable to owners of the parent			
Share capital	22	100	100
Retained earnings		(34,662,330)	(19,735,046)
Total equity		34,662,230	19,735,046

The company's loss and total comprehensive income for the year was £15,240,617 (2020 - £13,269,051).

The financial statements on pages 51 - 116 were approved and authorised for issue by the board of directors and were signed on its behalf by:

D I Holden
Director



Date: 11 March 2022

The notes on pages 62 - 116 form part of these financial statements.

Trust Payments

Consolidated Statement of changes in equity for the year ended 31 December 2021

	Share capital	Foreign ex- change reserve	Retained earnings	Total attributable to equity holders of parent	Total equity
	£	£	£	£	£
At 1 January 2020	100	(218,197)	(7,193,881)	(7,411,978)	(7,411,978)
Comprehensive income for the year					
Loss for the year	-	-	(13,157,741)	(13,157,741)	(13,157,741)
Other comprehensive income for the period	-	665,435	-	665,435	665,435
Total comprehensive income for the year	-	665,435	(13,157,741)	(12,492,306)	(12,492,306)
At 31 December 2020	100	447,238	(20,351,622)	(19,904,284)	(19,904,284)
At 1 January 2021	100	447,238	(20,351,622)	(19,904,284)	(19,904,284)
Comprehensive income for the year					
Loss for the year	-	-	(3,541,409)	(3,541,409)	(3,541,409)
Other comprehensive income	-	(159,571)	-	(159,571)	(159,571)
Total comprehensive income for the year	-	(159,571)	(3,541,409)	(3,700,980)	(3,700,980)
Share based payments	-	-	763,315	763,315	763,315
Total contributions by and distributions to owners	-	-	763,315	763,315	763,315
At 31 December 2021	100	287,667	(23,129,716)	(22,841,949)	(22,841,949)

Trust Payments

Company Statement of changes in equity for the year ended 31 December 2021

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2020	100	(6,466,095)	(6,465,995)
Comprehensive income for the year			
Loss for the year	-	(13,269,051)	(13,269,051)
		(13,269,051)	(13,269,051)
Total comprehensive income for the year	-	(13,269,051)	(13,269,051)
At 31 December 2020	100	(19,735,146)	(19,735,046)
At 1 January 2021	100	(19,735,146)	(19,735,046)
Comprehensive income for the year			
Loss for the year	100	(15,240,617)	(15,240,617)
		(15,240,617)	(15,240,617)
Total comprehensive income for the year	-	(15,240,617)	(15,240,617)
Share based payments	-	313,433	313,433
Total contributions by and distributions to owners	-	313,433	313,433
At 31 December 2021	100	(34,662,330)	(34,662,230)

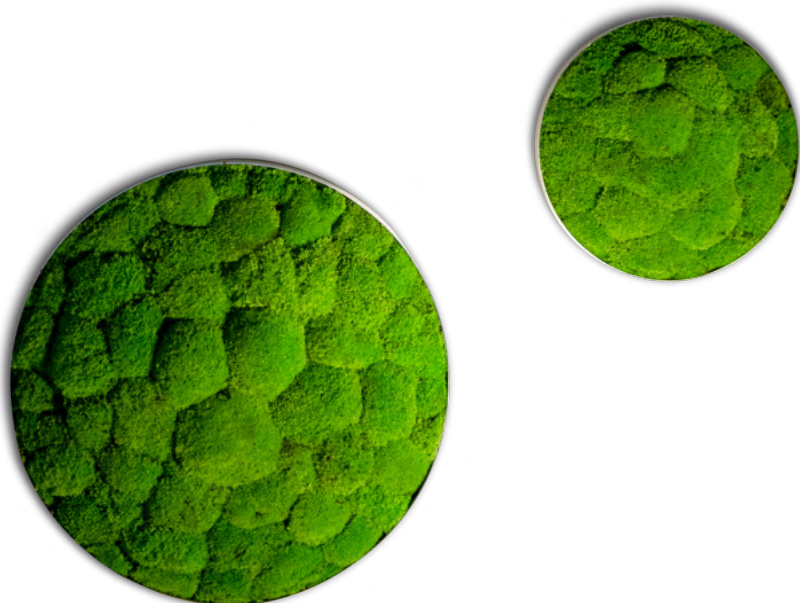
Trust Payments
**Consolidated Statement of cash flows
for the year ended 31 December 2021**

	2021	2020
	£	£
Cash flows from operating activities		
Loss for the year		
Adjustments for	(3,541,409)	(13,157,741)
Depreciation of property, plant and equipment	1,098,230	348,848
Depreciation of investment property	-	101,527
Amortisation of intangible fixed assets	5,970,233	3,084,671
Impairment loss recognised on trade receivables	1,494,973	236,041
Change in value of investment	(62,270)	(131,250)
Finance expense	13,846,092	11,862,874
Share-based payment expense	763,315	-
Net foreign exchange (gain)/loss	(2,936,608)	1,674,010
Income tax expense	1,453,260	1,777,895
	18,085,816	5,796,875
Movements in working capital:		
Increase in trade and other receivables	(11,153,672)	(12,150,051)
Increase in trade and other payables	46,148,561	30,163,350
	53,080,705	23,810,174
Cash generated from operations	53,080,705	23,810,174
	53,080,705	23,810,174
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	(12,986,766)	(123,315)
Purchases of property, plant and equipment	(1,968,093)	(254,601)
Purchase of intangibles	(13,817,000)	(6,425,576)
Purchases of investments	-	(2,567,162)
	(28,771,859)	(9,370,654)
Net cash used in investing activities	(28,771,859)	(9,370,654)

Trust Payments
**Consolidated Statement of cash flows
for the year ended 31 December 2021**

	2021	2020
	£	£
Cash flows from financing activities		
Proceeds from borrowings	13,218,940	
Payment of lease liabilities	(357,393)	(13,157,741)
Net cash from financing activities	12,861,547	101,527
Net cash increase in cash and cash equivalents	37,170,393	236,041
Cash and cash equivalents at the beginning of year	36,439,700	11,862,874
Exchange (loss)/gains on cash and cash equivalents	(159,571)	647,611
Cash and cash equivalents at the end of the year	73,450,522	36,439,700

The notes on pages 62 - 116 form part of these financial statements.



98% of revenues were organic – Core operational profitability is very strong, & has supported key investments in technology, people & systems to drive scale & future growth.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

1. General information

Trust Payments Limited is a private company limited by shares and is incorporated and domiciled in England and Wales. The registered office is 1 Royal Exchange, London, England, EC3V 3DG.

The group's principal activities significantly expanded in 2021 and now consist of the provision of online and in-store technology solutions, together with fully integrated payment processing services to allow merchants and partners to support digitised commerce across all channels. Within this, key services include regulated merchant acquiring services, data management, and innovative products designed for key verticals.

The company's principal activity is that of a holding company.

These general purpose financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as adopted by the United Kingdom.

The company's financial statements are presented in Sterling (£), which is also the group's presentational currency.

The following accounting policies have been applied:

2. Accounting policies

2.1 Basis of preparation of financial statements

The group financial statements consolidate those of the company and its subsidiaries (together referred to as the "group"). The parent company financial statements present information about the company as a separate entity and not about its group.

The consolidated financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the UK ("Adopted IFRSs"). The separate parent financial statements of the company are prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 (FRS 101).

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

Where required, equivalent disclosures have been given in the consolidated financial statements of Trust Payments Ltd.

The group and separate parent company financial statements have been prepared under the historic cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements.

2.2 Basis of consolidation

The financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2021.

All undertakings over which the group exercises control, being the power to govern the financial and operating policies so to obtain benefits from their activities, are consolidated as subsidiary undertakings. Where a subsidiary has different accounting policies to the group, adjustments are made to those subsidiary financial statements to apply the group's accounting policies when preparing the consolidated financial statements.

Any subsidiary undertakings or associates sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively. Where control of a subsidiary is lost, the gain or loss is recognised in the consolidated income statement.

On consolidation, assets and liabilities of foreign undertakings are translated into sterling at period end exchange rates. The results of foreign undertakings are translated into sterling at average rates of exchange for the period (unless this average is not a reasonable approximation of the cumulative effects of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions). Foreign exchange differences arising on the retranslation of foreign undertakings are recognised directly in a separate component of equity, the translation reserve.

2.3 Going concern

Trust Payments Limited ("The Trust group") is under the control of Cordet Lending S.à r.l. ("Cordet"). Cordet, along with a minority shareholder Ture Invest AB ("Ture"), together "the Lenders", have provided finance to the wider group of approximately £97.5m at the balance sheet date. At this date the loans are due for repayment between March 2023 and September 2023.



Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

2. Accounting policies (continued)

The Trust group led by the CEO, together with a new management team have re-aligned the product suite in the payments market and embarked on a new growth trajectory. Detailed forecasts and cashflow projections have been prepared to December 2024 substantiating the growth trajectory, and these forecasts show that the group can continue to meet their working capital requirements and settle these liabilities as they fall due during that period. The forecasts do not allow for the repayment of the facilities with the Lenders but the directors are confident that a satisfactory resolution will be achieved through a deleveraging or refinancing event. The investors have demonstrated their continued willingness to support the growth trajectory of the business through loan extensions and additional facilities where they have been required historically.

As the group has determined that sufficient cash flows exist for a period of at least twelve months from the date of signing these accounts the directors continue to adopt the going concern basis in the preparation of the financial statements.

2.4 Revenue

Revenue, which consists principally of commissions priced as a percentage of transaction value and specified fees per transaction generated from processing of electronic payment services transactions, comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the company's activities. Revenue is shown net of value added tax, returns, rebates and discounts.

The service is deemed to have been rendered and completed once a transaction has been authorised and processed. The group bills its clients and recognises revenue as soon as this event takes place. Monthly fees are billed prior to month-end. Charges are either netted off from the value of the transactions processed or accumulated and collected following month-end depending on the model chosen by the client. The model is specified on the contract entered with the merchant together with the pricing.

The group provides a secure value-added payment gateway facility. The group recognises revenue when performance obligations have been satisfied and for the group this is once a transaction has been authorised and processed. The group bills its clients at the end of each month for any transactions that have been authorised and processed during that period.

Contract assets

Contract assets primarily relate to the group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

2.5 Foreign currency translation Functional and presentation currency

The group's presentational currency is Sterling (£).

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'administrative expenses'.

2.6 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the income statement when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.7 Finance costs

Finance costs are charged to the income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

2. Accounting policies (continued)

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax arises from temporary differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all temporary differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Computer software and development expenditure

Acquired computer software and development expenditure is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Internally developed intangible assets are capitalised when the criteria set by IAS 38 is met. These costs are amortised through administrative expenses on a straight-line basis over their estimated useful lives of three years. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

The assets' carrying amounts and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Other licences

Expenses incurred in relation to acquiring principal membership status with two card schemes are capitalised and shown at historical cost. The assets are amortised through administrative expenses on a straight-line basis over three years, and are carried at cost less accumulated impairment losses.

The assets' carrying amounts and useful lives are renewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Customer relationships

Customer relationships acquired through business combinations are recorded at fair value at the date of acquisition less amortisation less impairment. Assumptions are used in estimating the fair value of these relationships and include management's estimates of revenue and profits to be generated by them. The assets are amortised through administrative expenses on a straight-line basis over five years.

Acquired technology

Technologies acquired through business combinations are recorded at fair value at the date of acquisition less amortisation less impairment. Assumptions are used in estimating the fair value of these relationships and include management's estimates of revenue and profits to be generated by the. The assets are amortised through administrative expenses on a straight-line basis over ten years.

Goodwill

Goodwill arising on consolidation is recognised as an asset and reviewed for impairment at least annually or when a change in circumstances or situation indicates that the goodwill has suffered an impairment loss. The need for impairment is tested by comparing the recoverable amount of the cash-generating unit (CGU) to the carrying value. Any impairment is recognised immediately in the income statement. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of a business include the amount of goodwill relating to that business.

2.10 Property, plant and equipment

Property, plant and equipment under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

2. Accounting policies (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 3 years
Office equipment	- 3 years
Computer equipment	- 2-3 years
Right-of-use assets: Leasehold property	- Length of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

2.11 Investment properties

Investment properties are recognised under the cost model and are stated at historic cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method over the length of the lease.

2.12 Investments

Investments and other financial assets, other than investments in group undertakings, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

Financial assets at fair value through other comprehensive income include equity investments which the company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Investments in subsidiary undertakings are held at cost less impairment.

2.13 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- (a) those that the group intends to sell immediately or in the short term, which are classified as held-for trading, and those that the entity upon initial recognition designates as at fair value through profit or loss; or
- (b) those for which the holder may not recover substantially all of their initial investment, other than because of credit deterioration.

Loans and receivables mainly consist of loans and advances to companies' funds receivable from card schemes and funds advanced as collateral. They are initially recognised at fair value - which is the cash consideration to originate or purchase the loan including any transaction costs - and measured subsequently at amortised cost using the effective interest rate method. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference between the initial and maturity amounts using the effective interest method.

The effective interest method is a method of calculating the cost of a financial asset or a financial liability (and groups of financial assets or financial liabilities) and of allocating the 'Net interest income' over the relevant period.

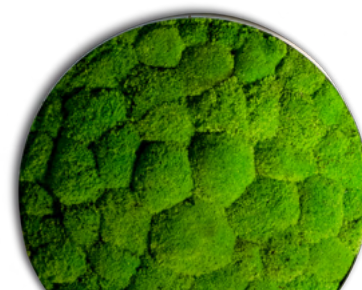
The group applies the IFRS 9 simplified approach to measuring expected credit losses which use a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.



Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

2. Accounting policies (continued)

2.15 Trade and other payables

Trade payables comprise obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables include settlement processing obligations representing transactions that have been processed but not yet funded together with funds withheld from merchants that serve as collateral to minimise contingent liabilities associated with any losses that may occur under the merchant agreement (“merchant rolling reserve”).

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

2.17 Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the 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 end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.18 Share based payments

The fair value of shares with specific share appreciation rights is recognised as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The awards granted do not have any performance-based vesting conditions and vest on the sale, asset sale, IPO or winding up of the group (‘the exit event’).

The equity settled share based payment expense has been recognised over the likely timescale to an exit event.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

2.19 Leases

At inception of a contract, the group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method. The lease term includes periods covered by an option to extend if the company is reasonably certain to exercise that option.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising in rate, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The group has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised in administrative expenses on a straight line basis over the lease term.

2.20 New IFRS Accounting standards and interpretations

a) Standards issued and effective beginning on or after 1 January 2021

There are no new standards, interpretations and amendments that are effective for the first time for the financial year beginning 1 January 2021 that had a material impact on the group. The details are below;

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

2. Accounting policies (continued)

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the group. The group intends to use the practical expedients in future periods if they become applicable.

Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases.

The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021. However, the group has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

b) Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the group's financial statements are disclosed below. The group intends to adopt these standards, if applicable, when they become effective. The details are below;

IFRS 17, Amendments to IAS 1, Amendments to IFRS 3, Amendments to IAS16, Amendments to IAS 37, Amendments to IFRS 9 and IAS 8.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

3. Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of acquired intangibles

The group makes an estimate of the fair value of certain intangibles at the acquisition date of subsidiaries. When assessing the value of these assets the directors are required to identify and assign a value that a market participant would be willing to pay to acquire each of the intangibles being purchased. When assessing the fair value of intangibles, management considers factors including the estimated revenues and profits to be generated by the asset based on current and anticipated market conditions that have been considered and approved by the Board. See Note 13 for the net carrying amount of acquired intangibles.

Impairment testing

The directors consider the recoverable amount of goodwill allocated to its acquired cash generating units to be sensitive to the achievement of forecasts. Budgets comprise forecasts of revenue, staff costs and overheads based on current and anticipated market conditions that have been considered and approved by the Board. Whilst the group is able to manage costs, revenue projections are inherently uncertain due to the nature of the group's business and unstable market conditions. Goodwill is allocated across the following cash generating units; Payment Gateway, Acquiring Bank and Commerce Platform. See Note 14 for the net carrying amount of goodwill.

Fixed asset investments

Determining whether fixed asset investments are impaired requires an estimate of the fair value, less costs to sell of the investments. The fair value assessment requires the use of the group's current market presence and its projections. See Note 11 for the net carrying amount of the fixed asset investments.

Impairment of trade receivables

The group makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience. The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See Note 17 for the net carrying amount of the receivables and associated impairment provision.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

3. Critical accounting estimates and judgements (continued)

Incremental borrowing rate

The group makes an estimate of the incremental borrowing rate which is used to calculate the present value of lease obligations on agreements entered that do not contain an implicit rate of interest. When assessing the incremental borrowing rate management consider current interest rates on group or subsidiary loans and interest rates available in the market place. See Note 24 for the future minimum lease payments and the present value of minimum lease payments. The incremental borrowing rate for additions in the year was 10% (2020: no additions).

Impairment of amounts due from group undertakings

The company makes an estimate of the recoverable value of amounts due from group undertakings. The company considers the risk of impairment by assessing the credit worthiness of the counterparty. See Note 17 for the net carrying amount of amounts due from group undertakings.

Share based payments

The group has adopted long-term incentive plans whereby share-based awards have been granted to certain employees. The group uses judgement in evaluation the key terms and conditions of share-based awards to determine whether the share-based award should be classified and accounted for as equity or as a liability when the share-based awards are issued. The classification of the award impacts the timing and frequency of the fair market value calculation of the award. The nature of the share-based awards granted were determined to be equity settled. Recognised in the group's consolidated accounts is a share based payment expense of £731,344 (2020: £Nil) in relation to equity-settled share based payments in the parent, Trust Payments Holdings Ltd.

Asset acquisition

On 29 April 2021 Trust Payments Ltd acquired 100% of the issued share capital of Core Cloud Group Ltd (trading as Stor), a company offering an all-in-one eCommerce platform that allows merchants to start an online shop to sell their products or services. Core Cloud Group Ltd has been treated as asset acquisition rather than a business combination, under IFRS 3 as it met the requirements of the concentration test as a group of similar identifiable assets.

The total consideration payable in respect of this acquisition is dependent on future net revenue generation. The consideration has been principally allocated to the entity's primary asset; technology, and the directors have estimated the future amount payable having prepared forecasts for the acquired technology. A liability has been recognised for the future estimated consideration.

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

4. Administrative expenses

Administrative expenses includes:

	2021	2020
	£	£
Impairment of trade receivables	1,494,973	1,178,603
Depreciation of property, plant and equipment and investment property	1,098,230	450,375
Amortisation of intangible assets	5,955,532	3,084,671
Exchange differences	(986,851)	3,659,741
Defined contribution pension cost	293,795	212,238
Staff costs	16,963,645	11,844,648
Audit fees payable to the parent company auditor for the audit of the company and its associates	125,500	99,000
Non audit fees payable to the parent company auditor	17,500	15,000
Computer costs	1,547,724	1,002,340
Share based payment expense	731,344	-
Other administrative expenses	7,115,662	2,824,200
	34,357,054	24,370,816



Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

5. Revenue

The following is an analysis of the group's revenue for the year from continuing operations:

	2021	2020
	£	£
Sale of services	108,654,053	62,689,486

The total revenue of the group has been derived from contracts with customers. Analysis of revenue by location of business unit:

	2021	2020
	£	£
United Kingdom	6,570,656	4,762,640
Rest of Europe	100,801,513	57,435,041
Rest of the world	1,281,884	491,805
	108,654,053	62,689,486

Timing of revenue recognition:

	2021	2020
	£	£
Goods and services transferred over time	101,484,441	57,909,379
Goods and services transferred at a point in time	7,169,612	4,780,107
	108,654,053	62,689,486

As per Note 15 the acquired business contributed revenues of £178,494 to the group for the period from 14 December to 31 December 2021.

6. Other operating income

	2021	2020
	£	£
Net rents receivable	-	112,580
Government grants receivable	274,987	-
Sundry income	-	169,199
	274,987	281,779

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2021	2020
	£	£
Employee benefit expenses (including directors) comprise:		
Wages and salaries	15,171,098	10,599,733
National insurance	1,498,752	1,244,915
Defined contribution pension cost	293,795	212,238
	16,963,645	12,056,886

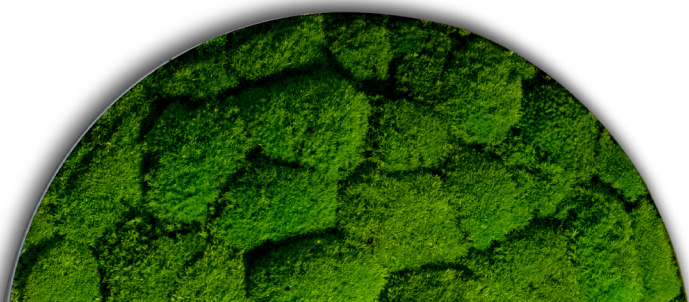
Payroll costs amounting to £1,036,287 (2020: £Nil), not included in the above, have been capitalised in the year as computer software and development expenditure relating to time spent by employees on capital projects.

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, including the directors of the company.

	2021	2020
	£	£
Wages and salaries	2,780,359	2,383,916

During 2020, seven members of key management personnel entered the group's long-term incentive scheme (see Note 26). Recognised in the group's consolidated accounts is a share based payment expense of £731,344 (2020: £Nil) in relation to equity-settled share based payments in the parent, Trust Payments Holdings Ltd.



Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

	31 December 2021 Number	31 December 2020 Number
Operating staff	-	140
Administrative staff	-	44
Management	-	19
Executives	8	5
IT staff	46	-
Sales and administrative staff	258	-
	312	208

Employee categories are not comparable as the categories used by the group have changed due to growth of the business.

8. Directors remuneration

	31 December 2021 £	31 December 2020 £
Wages and salaries	555,000	497,500

The highest paid director received remuneration of £555,000 (2020: £497,500).

During the year no retirement benefits were accruing to directors in respect of defined contribution pension schemes.

During 2020 one director entered the group's long-term incentive scheme (see Note 26).

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

9. Finance income and expense

Recognised in profit or loss

	2021	2020
	£	£
Finance expense		
Bank interest payable	-	62,348
Lease interest payable	186,085	88,001
Foreign exchange (gain)/loss on secured loans	(2,934,688)	1,676,178
Unwinding of discount on non-current liabilities	232,942	-
Loan interest payable	13,183,933	11,239,136
Other finance charges	243,132	471,221
	<hr/>	<hr/>
Total finance expense	10,911,404	13,536,884
Net finance expense recognised in profit or loss	(10,911,404)	(13,536,884)

All financial expenses included above were in respect of liabilities not held at fair value through profit or loss.

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

10. Property, plant and equipment

Group

	Fixtures & fittings	Office equipment	Computer equipment	Right of use assets Leasehold property	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2020	200,852	90,341	1,075,075	1,834,460	3,200,728
Additions	10,853	11,746	232,002	-	254,601
Disposals	-	-	-	(204,484)	(204,484)
Foreign exchange movements	7,426	5,261	11,412	91,440	115,539
At 31 December 2020	219,131	107,348	1,318,489	1,721,416	3,366,384
Additions	635,721	198,224	1,134,148	2,858,158	4,826,251
Acquisition of subsidiary	(180)	11,193	78,036	-	89,049
Foreign exchange movements	(9,348)	(21,451)	(158,566)	(114,732)	(304,097)
At 31 December 2021	845,324	295,314	2,372,107	4,464,842	7,977,587

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

10. Property, plant and equipment (continued)

	Fixtures & fittings £	Office equipment £	Computer equipment £	Right of use assets Leasehold property £	Total £
Accumulated depreciation and impairment					
At 1 January 2020	176,669	81,670	1,030,518	349,042	1,637,899
Charge owned for the year	27,796	11,267	78,951	230,834	348,848
Disposals	-	-	-	(204,484)	(204,484)
Exchange adjustments	7,026	4,764	6,293	11,953	30,036
At 31 December 2020	211,491	97,701	1,115,762	387,345	1,812,299
Charge owned for the year	86,865	21,822	323,714	665,829	1,098,230
Exchange adjustments	(9,066)	(6,760)	(7,365)	(85,464)	(108,655)
At 31 December 2021	289,290	112,763	1,432,111	967,710	2,801,874
Net book value					
At 1 January 2020	24,183	8,671	44,557	1,485,418	1,562,829
At 31 December 2020	7,640	9,647	202,727	1,334,071	1,554,085
At 31 December 2021	556,034	182,551	939,996	3,497,132	5,175,713

The fair value of property, plant and equipment is not materially different from the carrying amount.

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

10. Property, plant and equipment (continued)

Company

	Fixtures & fittings	Office equipment	Computer equipment	Right of use assets Leasehold property	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2020	23,334	-	-	204,484	227,818
Additions	10,853	-	6,818	-	17,671
Disposals	-	-	-	(204,484)	(204,484)
At 31 December 2020	34,187	-	6,818	-	41,005
Additions	542,358	62,072	185,123	1,747,152	2,536,705
At 31 December 2021	576,545	62,072	191,941	1,747,152	2,536,705
Accumulated depreciation and impairment					
At 1 January 2020	8,166	-	-	105,731	113,897
Charge owned for the year	19,158	-	1,705	98,753	119,616
Disposals	-	-	-	(204,484)	(204,484)
At 31 December 2020	27,324	-	1,705	-	29,029
Charge owned for the year	77,028	7,398	22,634	87,358	194,418
At 31 December 2021	104,352	7,398	24,339	87,358	223,447
Net book value					
At 1 January 2020	15,168	-	-	98,753	113,921
At 31 December 2020	6,863	-	5,113	-	11,976
At 31 December 2021	472,193	54,674	167,602	1,659,794	2,354,263

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

11. Subsidiaries

Details of the group's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Registered office
Trust Payments (Malta) Ltd	Acquiring bank	Level 2, Ewropa Business Centre, Birkirkara, BKR 9034, Malta
Trust UK Payments Ltd	Payment gateway	1 Royal Exchange, London, EC3V 3DG, England
Trust Payments Malta Holding Ltd	Holding company	Level 2, Ewropa Business Centre, Birkirkara, BKR 9034, Malta
Trust Payments Operations Malta Ltd	Holding company	Level 2, Ewropa Business Centre, Birkirkara, BKR 9034, Malta
SecureTrading Group Inc.	Holding company	695 Mansell Rd; Suite 200 Roswell, GA 30076, United States of America
SecureTrading Inc.	Payment gateway	695 Mansell Rd; Suite 200 Roswell, GA 30076, United States of America
Trust UK Payments Ltd	Dormant	1 Royal Exchange, London, EC3V 3DG, England
Mobilize Systems Ltd	Loyalty card provider	1 Royal Exchange, London, EC3V 3DG, England
Trust Payments (IRE) Merchant Services DAC	Dormant	One Spencer Dock, North Wall Quay, Dublin, Ireland D01 X9R7
Core Cloud Group Ltd	E-commerce platform	1 Royal Exchange, London, EC3V 3DG, England
WL Solutions Ltd	E-commerce platform	1 Royal Exchange, London, EC3V 3DG, England
Sure Can Pay Ltd	E-commerce platform	1 Royal Exchange, London, EC3V 3DG, England
Global Automate Technologies (PVT) Ltd	E-commerce platform	No.290 Dr Wijewardana Mawatha, Colombo 10, Colombo 01000

The group owns 100% of the issued share capital and voting rights of the above subsidiaries.

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

Company

	31 December 2021	31 December 2020
	£	£
As at the beginning of the year	64,942,992	64,871,491
Additions	23,100,881	71,501
As at the end of the year	88,043,873	64,942,992

During the year the company acquired a 100% share of Core Cloud Group Ltd (trading as Stor), WL Solutions Limited (trading as Wonderlane) and Sure Can Pay Limited whose registered offices are listed above.

12. Investment property

Group

	31 December 2020	31 December 2021
	£	£
Opening balance	616,823	681,076
Transferred to right of use assets	(616,823)	-
Fair value loss recognised in profit and loss	-	(101,527)
Foreign exchange rate movements	-	37,274
	-	616,823

Right of use investment properties related to sub-leased parts of one of the group's offices and neighbouring parking spaces. As the group did not own the right of use investment properties and rents these through an operating lease a fair value cannot be reliably measured. During the year this was recategorised to right of use assets due to the group ceasing sub-let agreements in the year.

During the period rental income from investment properties was £Nil (2020: £112,580).

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

13. Intangible assets

Group	Other licenses		Other intangibles		Technology		Customer relationships		Computer software and expenditure development		Total	
	£	£	£	£	£	£	£	£	£	£	£	£
Cost												
At 1 January 2020	1,845,220	-	-	8,598,000	4,318,000	2,129,673	16,890,893					
Additions - external	-	-	-	-	-	6,131,749	6,131,749					
Additions	1,885	291,942	-	-	-	-	-	-	-	-	293,827	
Transfer	(914,379)	-	-	-	-	914,379	-	-	-	-	-	-
Foreign exchange movement	30,664	39,021	-	-	-	82,289	-	-	-	-	151,974	
At 31 December												
2020	963,390	330,963	8,598,000	4,318,000	9,258,090							
Additions	11,628	633,154	-	-	-	13,172,218	13,817,000					
On acquisition of subsidiaries	-	404,000	6,988,753	5,661,000	13,053,753							
Foreign exchange movement	(63,386)	(29,726)	-	-	-	(155,981)	(249,093)					
At 31 December 2021	911,632	1,338,391	15,586,753	9,979,000	22,274,327	50,090,103						

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

13. Intangible assets (continued)

	Other licenses	Other intangibles	Technology	Customer relationships	Computer software and development expenditure	Total
	£	£	£	£	£	£
Accumulated amortisation and impairment						
At 1 January 2020	1,439,563	-	555,287	575,733	1,058,875	3,629,458
Charge for the year	23,877	62,994	859,800	863,600	1,274,400	3,084,671
Transfer	(559,960)	-	-	-	559,960	-
Foreign exchange movement	48,864	3,286	-	-	80,901	133,051
At 31 December 2020	952,344	66,280	1,415,087	1,439,333	2,974,136	6,847,180
Charge for the year	11,417	168,670	892,458	910,775	3,986,913	5,970,233
Foreign exchange movement	(62,657)	(5,976)	--(399,219)	(467,852)		
At 31 December 2021	901,104	228,974	2,307,545	2,350,108	6,561,830	12,349,561
Net book value						
At 1 January 2020	405,657	-	8,042,713	3,742,267	1,070,798	13,261,435
At 31 December 2020	11,046	264,683	7,182,913	2,878,667	6,283,954	16,621,263
At 31 December 2021	10,528	1,109,417	13,279,208	7,628,892	15,712,497	37,740,542

Trust Payments

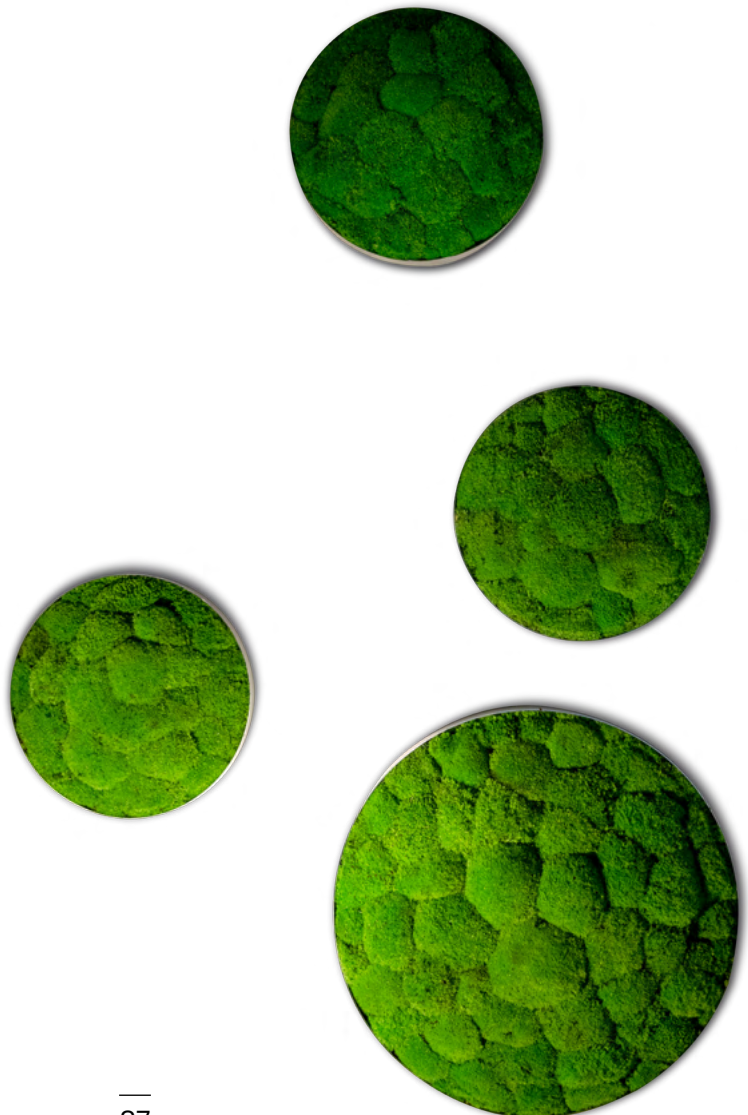
Notes to the Consolidated Financial Statements for the year ended 31 December 2021

13. Intangible assets (continued)

Technology, customer relationships and other assets acquired in the year of £8,852,000 are based on a third party assessment of the fair value of acquired intangibles represents at the acquisition date. The remaining £4,201,753 of technology arises from a business combination classed as an asset acquisition.

Included in computer software and development expenditure additions is £13,172,218 (2020: £4,642,924) of development expenditure in relation to contractor time spend, software licenses purchased in order to develop new and existing computer software, and internally generated development costs representing salary costs of developers.

At 31 December 2021 the group had capital commitments of £1,526,199 (2020: £2,355,898) in relation to software licenses and development work.



Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

13. Intangible assets (continued)

Company

	Other intangibles	Computer software & development expenditure	Total
	£	£	£
Cost			
At 1 January 2020	20,867	371,079	391,946
Additions - external	-	3,220,055	3,220,055
Additions	19,307	-	19,307
At 31 December 2020	40,174	3,591,134	3,631,308
Additions	-	6,364,934	6,364,934
At 31 December 2021	40,174	9,956,068	9,996,242

	Other intangibles	Computer software & development expenditure	Total
	£	£	£
Accumulated amortisation and impairment			
At 1 January 2020	1,159	47,529	48,688
Charge for the year	6,956	352,126	359,082
At 31 December 2020	8,115	399,655	407,770
Charge for the year	13,391	2,081,645	2,095,036
At 31 December 2021	21,506	2,481,300	2,502,806

Net book value

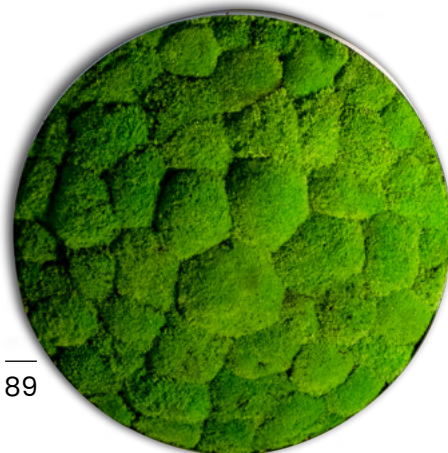
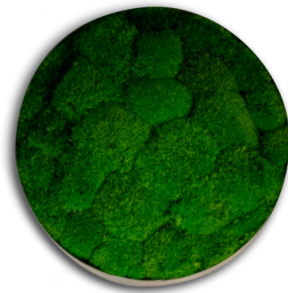
At 1 January 2020	19,708	323,550	343,258
At 31 December 2020	32,059	3,191,479	3,223,538
At 31 December 2021	18,668	7,474,768	7,493,436

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

Included in computer software and development expenditure additions is £6,364,934 (2020: £2,588,206) of development expenditure in relation to contractor time spend, software licenses purchased in order to develop new and existing computer software, and internally generated development costs representing salary costs of developers.

At 31 December 2021 the company had capital commitments of £1,526,199 (2020: £2,355,898) in relation to software licenses and development work.



Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

14. Goodwill

Group

	31 December 2021 £	31 December 2020 £
Cost	56,036,471	47,102,871
	31 December 2021 £	31 December 2020 £
Cost		
At 1 January	47,102,871	47,102,871
Additions	8,933,600	-
At 31 December	56,036,471	47,102,871

14.1 Allocation of goodwill to cash generating units

Goodwill is allocated to the group's cash generating units as follows:

	2021 £	2020 £
Payment Gateway	4,311,289	4,311,289
Acquiring bank	42,791,582	42,791,582
Commerce platform	8,933,600	-
	56,036,471	47,102,871

Acquiring bank and payment gateway

The goodwill recognised represents the expected future opportunities and staff expertise in the marketplace that the group operates.

The goodwill arising on the purchase of the two CGU and are considered to have an indefinite useful life and are reviewed for impairment at least annually or when a change in circumstances or situation indicates that the goodwill has suffered an impairment loss.

The recoverable amounts of the cash generating units have been projected using value-in-use calculations. Cash flows have been forecast a divisional CGU basis using detailed budgets produced at cash generating unit level, based on past experience and known and expected future business levels. The unit forecasts revenue based upon an assessment of industry growth, current trading conditions, group strategy and specific unit circumstances. Costs have been forecast at expected running levels including all major operating costs.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

14. Goodwill (continued)

14.1 Allocation of goodwill to cash generating units (continued)

A terminal growth rate of 2% has been applied beyond a two-year projected period with the value-in-use calculation based on an extrapolation of the budgeted cash flows for future years. The post-tax discount rate applied in discounting projected cash flows to net present value is 15.8%.

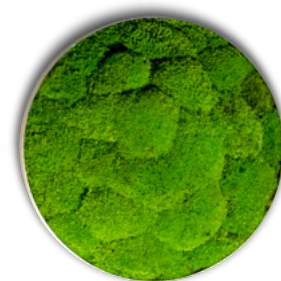
The review process resulted in no impairment charge of goodwill for the current year.

Commerce platform

The goodwill recognised represents the expected future opportunities and staff expertise in the marketplace that the group operates.

The goodwill arising on the purchase of the CGU is considered to have an indefinite useful life and is reviewed for impairment at least annually or when a change in circumstances or situation indicates that the goodwill has suffered an impairment loss.

Given the proximity of the acquisition to the year end, and no significant changes to conditions during the due diligence process, the directors have concluded that there is no impairment charge of goodwill for the current year.



Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

15. Business combinations during the year

15.1 Subsidiaries acquired

On 29 April 2021 Trust Payments Ltd acquired 100% of the issued share capital of Core Cloud Group Ltd (trading as Stor), a company offering an all-in-one eCommerce platform that allows merchants to start an online shop to sell their products or services. Core Cloud Group Ltd has been treated as asset acquisition rather than a business combination, under IFRS 3 as it met the requirements of the concentration test as a group of similar identifiable assets.

The maximum consideration payable for the principle acquired asset is £5,000,000 representing technology. The amount payable is based upon the revenue generation of the newly acquired technology and the due date for the first payment instalment is 29 July 2022 and the second payment instalment is 29 July 2023. The discounted value of the estimated purchase consideration is £4,150,723 of which £4,201,753 has been included in acquired intangible assets on acquisition of subsidiaries (note 13).

On 14 December 2021 Trust Payments Ltd acquired 100% of the issued share capital of WL Solutions Limited (trading as Wonderlane), a company specialising in the design, build and delivery of commerce platforms for next generation shopping journeys.

Name	Principal activity	Date of acquisition	Proportion of voting equity interests acquired %	Consideration transferred £
WL Solutions Limited	Commerce platform	14/12/21	100	17,977,812
				17,977,812

15.2 Consideration transferred

	WL Solutions Limited £
Cash paid	14,977,812
Ordinary shares issued	3,000,000
17,977,812	

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

15. Business combinations during the year (continued)

15.3 Assets acquired and liabilities recognised at the date of acquisition

	WL Solutions Limited £	Fair value adjustments £	Total £
Non-current assets			
Property, plant and equipment	89,048	-	89,048
Intangible assets	-	8,852,000	8,852,000
Current assets			
Cash and cash equivalents	1,992,651	-	1,992,651
Trade and other receivables	642,405	-	642,405
Inventories	74,249	-	74,249
Non-current liabilities			
Deferred tax liabilities			
Current liabilities	-	(2,121,000)	(2,121,000)
Trade and other liabilities	(485,141)	-	(485,141)
	2,313,212	6,731,000	9,044,212

15.4 Goodwill arising on acquisition

	WL Solutions Ltd £	Total £
Consideration transferred	17,977,812	17,977,812
Fair value of net assets acquired	(9,044,212)	(9,044,212)
Goodwill arising on acquisition	8,933,600	8,933,600

15.5 Net cash outflow on acquisition

	2021 £
Consideration paid in cash	(14,977,812)
Cash and cash equivalent balances acquired	1,992,651
	(12,985,161)

15.6 Impact of acquisition on the results of the group

The acquired business contributed revenues of £178,494 and net profit of £119,690 to the group for the period from 14 December to 31 December 2021.

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

16. Tax expense

16.1 Income tax recognised in profit or loss

	2021	2020
	£	£
Current tax		
Current tax on profits for the year	(653,801)	3,425,552
Total current tax	(653,801)	3,425,552
Deferred tax expense		
Origination and reversal of timing differences	2,107,061	(1,647,657)
Total deferred tax	2,107,061	(1,647,657)
	1,453,260	1,777,895
Total tax expense	1,453,260	1,777,895

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to losses for the year are as follows:

	2021	2020
	£	£
Loss for the year	3,541,409	13,157,741
Income tax expense	(1,453,260)	(1,777,895)
Loss before income taxes	2,088,149	11,379,846
Tax using the company's domestic tax rate of 19% (2020:19%)	(396,748)	(2,162,171)
Expenses not deductible for tax purposes	1,590,966	1,913,573
Difference in tax rates	(2,378,391)	855,168
Unrelieved tax losses carried forward	3,227,372	910,282
Change in deferred taxation due to change in rates	(588,562)	235,700
Other differences	(12,188)	25,343
Withholding tax	251,418	-
Utilisation of tax losses	(240,607)	-
Total tax expense	1,453,260	1,777,895

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

16. Tax expense (continued)

16.1 Income tax recognised in profit or loss (continued)

Changes in tax rates and factors affecting the future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% for companies with profits of over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. From this date companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate. This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

16.2 Current tax assets and liabilities

	2021 £	2020 £
Current tax assets		
Corporation tax repayable	158,215	-
Current tax liabilities		
Corporation tax payable	1,390,932	4,854,662

16.3 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2021 £	2020 £
Deferred tax assets	124,383	2,122,913
Deferred tax liabilities	(4,282,150)	(1,976,530)
	(4,157,767)	146,383



Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

16. Tax expense (continued)

16.3 Deferred tax balances (continued)

	Opening balance	Recognised in profit or loss	Recognised in other compre- hensive income	Acquisitions/ disposals	Closing balance
	£	£	£	£	£
2021 Deferred tax liabilities/(assets) in relation to:					
Fixed asset temporary differences	(12,582)	12,210	517	-	145
Intangible assets	1,911,700	249,305	-	2,121,000	4,282,005
Other temporary differences	(2,045,501)	1,845,546	75,572	-	(124,383)
	(146,383)	2,107,061	76,089	2,121,000	4,157,767

	Opening balance	Recognised in profit or loss	Recognised in other comprehen- sive income	Closing balance
	£	£	£	£
2020 Deferred tax liabilities/(assets) in relation to:				
Fixed asset temporary differences	(59,123)	47,215	(674)	(12,582)
Intangible assets	2,003,446	(91,746)	-	1,911,700
Other temporary differences	(397,625)	(1,603,126)	(44,750)	(2,045,501)
	1,546,698	(1,647,657)	(45,424)	(146,383)

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

17. Trade and other receivables

Group

	31 December 2021	31 December 2020
	£	£
Receivables from contracts with customers	32,999,061	25,433,808
Provision for bad debts - contracts with customers	(3,334,868)	(3,672,721)
Receivables from contracts with customers - net	29,664,193	21,761,087
Receivables from related parties	867,528	-
Total financial assets other than cash and cash equivalents classified as loans and receivables	30,531,721	21,761,087
Prepayments and accrued income	3,735,153	1,651,631
Other receivables	1,343,197	954,472
Total trade and other receivables	35,610,071	24,367,190
Less: current portion - trade receivables	(29,664,193)	(21,761,087)
Less: current portion - prepayments and accrued income	(3,735,153)	(1,651,631)
Less: current portion - other receivables	(1,343,197)	(954,472)
Less: current portion - receivables from related parties	(867,528)	-
Total current portion	(35,610,071)	(24,367,190)
Total non-current portion	-	-

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

17. Trade and other receivables (continued)

Receivables from contracts with customers are stated after provisions for impairment of £3,334,868 (2020: £3,672,721), relating to receivables arising from contracts with customers.

The Expected Credit Loss provision of £3,334,868 (2020: £3,672,721) based on the profile of merchant balances in debit.

Group policy is to provide 100% against merchant balances in debit over 90 days old which represents the majority of the Expected Credit Loss provision.

Included in prepayments and accrued income are contract assets of £1,745,038 (2020: £454,763). No impairment loss has been recognised in the period on any contract assets arising from the group's contracts with customers.

Ageing of unimpaired receivables

	31 December 2021	31 December 2020
	£	£
Up to 3 months	28,106,232	20,929,322
3 to 6 months	878,438	530,216
6 to 12 months	679,523	301,549
	29,664,193	21,761,087

Movements in the impairment allowance for receivables from contracts with customers are as follows:

	31 December 2021	31 December 2020
	£	£
At 1 January	3,672,721	2,989,645
Charge for the year	1,494,973	1,178,603
Utilised in the year	(1,655,566)	-
Foreign exchange movement	(177,260)	(495,527)
	3,334,868	3,672,721

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

17. Trade and other receivables (continued)

Company

	31 December 2021 £	31 December 2020 £
Receivables from related parties	9,985,212	4,440,624
Total financial assets other than cash and cash equivalents classified as loans and receivables	9,985,212	4,440,624
Prepayments and accrued income	1,136,818	695,985
Other receivables	740,955	591,694
Total trade and other receivables	11,862,985	5,728,303
Total current portion	(11,862,985)	(5,728,303)

The company does not hold any collateral as security.

18. Notes supporting statement of cash flows

	31 December 2021 £	31 December 2020 £
Cash at bank available on demand	73,450,522	36,439,700
Cash and cash equivalents in the statement of financial position	73,450,522	36,439,700
Cash and cash equivalents in the statement of cash flows	73,450,522	36,439,700

Significant non-cash transactions are as follows:

Commitment to issue variable number of ordinary shares as consideration for acquisition of WL solutions: £3,000,000 (Note 15)

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

19. Related party transactions

Transactions with related parties are as follows:

Relationship	Transaction	Amount		Amount due to/(from) related parties	
		2021 £	2020 £	2021 £	2020 £
CORDET Lending S.à r.l.	Loan (gross of transaction fees)	13,013,509	-	78,312,237	54,790,309
(Shareholder)	Interest	10,585,055	8,342,040	-	-
Ture Invest AB	Loan (gross of transaction fees)	-	-	19,227,479	19,028,054
(Shareholder)	Interest	2,598,878	2,897,096	-	-
Trust Payments Holdings Limited	Intercompany balance	-	-	1,196,189	676,705

Amounts owed to CORDET Lending S.à r.l. and Ture Invest AB are secured by fixed and floating charges over the groups assets and charge interest between 14-20%.

Amounts owed to Trust Payments Holdings Limited are unsecured, interest free and repayable on demand.

Company

During the year the company charged management fees to subsidiaries of £10,953,586 (2020: £6,400,174).

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

20. Trade and other payables

Group

	2021	2020
	£	£
Trade payables	9,110,143	5,341,425
Payables to related parties	2,063,816	676,705
Other payables	110,279,537	66,123,011
Accruals	11,191,505	3,215,439
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	132,645,001	75,356,580
Other payables – tax and social security payments	1,982,763	5,122,976
Total trade and other payables	134,627,764	80,479,556
Less: current portion – trade payables	(9,110,143)	(5,341,425)
Less: current portion – payables to related parties	(2,063,816)	(676,705)
Less: current portion – other payables	(112,262,300)	(71,245,987)
Less: current portion – accruals	(7,407,739)	(3,215,439)
Total current portion	(130,843,998)	(80,479,556)
Total non-current position	3,783,766	-

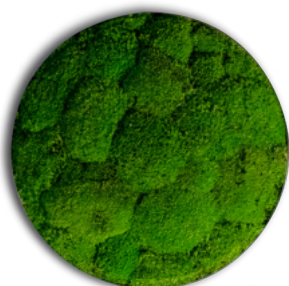
Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

20. Trade and other payables (continued)

Company

	31 December 2021 £	31 December 2020 £
Trade payables	2,762,099	907,343
Payables to related parties	30,770,094	17,113,287
Other payables	245,244	254,564
Accruals	11,084,670	1,417,663
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	44,862,107	19,692,857
Other payables - tax and social security payments	221,242	131,888
Total trade and other payables	45,083,349	19,824,745
Less: current portion - trade payables	(2,762,099)	(907,343)
Less: current portion - payables to related parties	(30,770,094)	(17,113,287)
Less: current portion - other payables	(466,486)	(386,452)
Less: current portion - accruals	(7,300,904)	(1,417,663)
Total current portion	(41,299,583)	(19,824,745)
Total non-current position	3,783,766	-

Amounts payable to group undertakings are unsecured, interest free and repayable on demand. Included in non-current accruals is £3,783,766 of deferred consideration due within 1-2 years.



Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

21. Loans and borrowings

Group

	31 December 2021	31 December 2020
	£	£
Non-current		
Loans	97,539,716	73,818,363
Lease liabilities	3,395,092	1,666,269
	100,934,808	75,484,632
Current		
Lease liabilities	350,332	298,272
	350,332	298,272
Total loans and borrowings	101,285,140	75,782,904

Loans are secured by fixed and floating charges over the assets and intellectual property of the group. The loans bear interest at 14-20% and are repayable within 1 to 2 years. Included in non-current loans are loans of £97,768,655 (2020: £74,048,202) stated net of £228,939 (2020: £229,839) of transaction fees which are being amortised over the loan period.

At 31 December 2021 the group has an unused amount on its secured loan facility of £Nil (2020: £Nil).

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

The currency profile of the group's loans and borrowings is as follows:

	31 December 2021	31 December 2020
	£	£
GBP	46,359,323	38,351,653
EUR	54,925,817	37,431,251
	101,285,140	75,782,904

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

21. Loans and borrowings (continued)

Company

	31 December 2021 £	31 December 2020 £
Non-current		
Loans	97,539,716	73,818,363
Lease liabilities	1,838,801	-
	99,378,517	
	73,818,363	
Current		
Total loans and borrowings	99,378,517	73,818,363

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

Loans are secured by fixed and floating charges over the assets and intellectual property of the group. The loans bear interest at 14-20% and are repayable within 1 to 2 years.

Included in non-current loans are loans of £97,768,655 (2020: £74,048,202) stated net of £228,939 (2020:

£229,839) of transaction fees which are being amortised over the loan period.

At 31 December 2021 the group has an unused amount on its secured loan facility of £Nil (2020: £Nil).

The currency profile of the company's loans and borrowings is as follows:

	31 December 2021 £	31 December 2020 £
GBP	45,886,352	38,185,474
EUR	53,492,165	35,632,889
	99,378,517	73,818,363

Trust Payments
**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

22. Share capital

Authorised

	31 December 2021 Number	31 December 2021 £	31 December 2020 Number	31 December 2020 £
Shares treated as equity				
Allotted, called up and fully paid shares of £1 each	100	100	100	100
	100	100	100	100

Issued and fully paid

	31 December 2021 Number	31 December 2021 £	31 December 2020 Number	31 December 2020 £
Allotted, called up and fully paid shares of £1 each				
At 1 January and 31 December	100	100	100	100

23. Reserves

Foreign exchange reserve

The foreign exchange reserve represents cumulative translation differences arising on translation of the net investment in subsidiary undertakings in the current and prior periods.

Retained earnings

Retained earnings represents accumulated comprehensive income for the period.

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**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

24. Leases

Group

Future minimum lease payments are due as follows:

	Minimum lease payments £	Interest £	Total £
December 2021			
Not later than one year	597,673	(247,341)	350,332
Between one year and five years	2,910,935	(906,772)	2,004,163
Later than five years	1,738,645	(347,716)	1,390,929
	5,247,253	(1,501,829)	3,745,424
December 2020			
Not later than one year	309,824	(11,552)	298,272
Between one year and five years	1,920,854	(254,585)	1,666,269
	2,230,678	(266,137)	1,964,541

Company

Leases

Future minimum lease payments are due as follows:

	Minimum lease payments £	Interest £	Total £
December 2021			
Not later than one year	152,208	(185,105)	(32,897)
Between one year and five years	1,289,012	(633,502)	655,510
Later than five years	1,498,298	(315,005)	1,183,292
	2,939,518	(1,133,612)	1,805,905
December 2020			
Not later than one year	-	-	-

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

25. Financial risk management

Financial risk factors

The group's activities potentially expose it to a variety of financial risks including credit risk, market risk, specifically foreign exchange risk, and liquidity risk. Accordingly, the directors provide principles for overall risk management as well as policies covering specific areas. In order to manage these risks, the group did not make use of derivative financial instruments to hedge certain risk exposures during the periods.

(a) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and rises principally from the group's receivables from customers, receivables from intra group balances and negative balances. The carrying amounts of financial assets represent the maximum credit exposure.

The group's exposures to credit risk as at the end of the reporting period based on carrying amounts as reported in the statement of financial position for on-balance sheet financial assets are analysed as follows:

	31 December 2021	31 December 2020
	£	£
Trade and other receivables (Note 17)	29,664,193	21,761,087
Cash and cash equivalents (Note 18)	73,450,522	36,439,700
	103,114,715	58,200,787

Group trade and other receivables from third party financial institutions consists of £2.3m (2020: £1.4m) of deposits held with reputable financial institutions of high quality rating, as a financial safeguard in relation to Visa and Mastercard ("the card schemes") together with an amount of £21m (2020: £17m) representing funds receivable from card schemes relating to transactions processed in the last few processing days of the period. The group considers the funds advanced as collaterals to have low risk based on the external credit ratings of the counterparties which does not attract any material expected credit losses ("ECL"). The remainder of the balances relate to amounts due from parties who are not financial institutions where the group internally assess the credit risk through credit checks and customer payment history.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

25. Financial risk management (continued)

Whilst the group notionally has concentration risk in respect of having receivables from two card schemes, these card schemes are underpinned by financial stability/creditworthiness within the wider financial markets. Card schemes interpose themselves between issuing and acquiring banks to ensure the performance of transactions being processed by using several layers of financial safeguards to cover losses resulting from the default of one or more member. Accordingly, the credit risk emanating from the group's exposures to card schemes are deemed by the directors to be insignificant.

The group is also exposed to credit risk to the extent that the card schemes of which it is a member may charge-back credit card purchases. In order to manage its credit card exposures arising from its payment processing operations, the group compiles and updates due diligence reports in respect of its merchants and establishes appropriate transaction volumes and value limits. The group monitors its merchants' adherence to limits in relation to charge-backs on a daily basis to prevent any collection losses that are inherent in the group's payment processes.

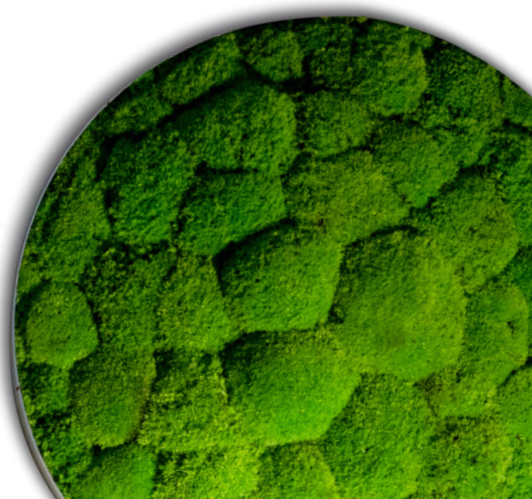
It is the group's policy to provide for a 100% ECL for negative merchant balances accumulated over periods exceeding 90 days, including merchants with a negative balance that never transacted. The group also consider the credit worthiness for merchant balances not exceeding 90 days but for which significant increase in credit risk is observed.

Credit concentration risk also exists with respect to the group's cash equivalents, which are held with a reputable financial institution of high quality standing which are A rated. ECL on cash and cash equivalents is insignificant due to the low risk based on the external credit rating of the counterparties.

(b) Market risk

Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the entity's functional currency. The group takes on exposures to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Foreign exchange risk is the risk to earnings and value caused by a change in foreign



Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

25. Financial risk management (continued)

As at the financial reporting date, the group was mainly exposed to foreign currency risk on amounts due on shareholder loans.

A breakdown of the groups exposure to foreign currency is as follows:

	31 December 2021		31 December 2020	
	Asset £	Liability £	Asset £	Liability £
USD	20,546,631	(8,919,339)	6,995,600	(34,247,269)
EUR	116,059,556	(170,401,745)	34,161,239	(55,260,315)
AUD	3,649,371	(31,267)	359,226	(1,687,738)
CAD	1,478,717	(51,092)	229,095	(3,071,564)
CHF	1,121,947	(59,287)	2,483,181	(4,248,695)
CZK	158,499	-	-	-
DKK	736,214	(346,059)	51,912	(213,721)
HKD	156,016	(20,862)	14,592	(95,170)
HUF	48,857	(0)	-	-
JPY	4,503,584	(2,643,702)	28,156	(231,795)
NOK	2,507,152	(1,823,306)	92,134	(633,768)
NZD	847,424	(23,262)	62,005	(381,076)
PLN	671,332	(168,078)	110,623	(357,313)
SEK	719,940	(249,898)	122,810	(372,306)
ZAR	44,301	(15,279)	1,691	(62,447)
	153,249,540	(184,753,177)	44,712,265	(100,863,177)

The group has net liabilities denominated in foreign currencies of £31,503,637 as at 31 December 2021 (31 December 2020: £56,150,912). Based on this exposure had sterling weakened by 10% against these foreign currencies with all other variables held constant the group's comprehensive income for the period would have been £3,150,364 lower (31 December 2020: £5,615,091 lower). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 12 months and the spot rate at the reporting date.

(c) Interest rate risk

The majority of the group loans bear interest at a fixed rate mitigating the group's exposure to interest rate risk.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

26. Share based payments

The parent company, Trust Payments Holdings Limited, has established a long term incentive plan whereby equity settled share-based awards were granted to certain employees, including key management of the company. Awards granted do not have any performance-based vesting conditions and vest on the sale, asset sale, IPO or winding up of the group ('the exit event'). At 31 December 2021 a number of employees of the company held Ordinary B shares in the parent company in respect of this scheme. Employees enter the scheme at market value at the date of the award and exit based on the enterprise value at an exit event using a defined ratchet on proceeds above defined thresholds.

The long term incentive plan is considered as an equity settled share-based award of the parent company with an appropriate recognition of the share based payment charge in the company, and hence is measured at fair value at the end of each reporting period.

At 31 December 2021 the share based payment expense of £731,344 (2020: £Nil) representing the fair value of the incentive plan has been recognised in administrative expenses.

27. Financial instruments – fair values and risk management

27.1 Liquidity risk management Liquidity and interest risk tables

The following tables detail the group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the group may be required to pay.

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

27. Financial instruments – fair values and risk management (continued)

	Carrying amount £	Total £	1 – 3 months £	3 – 12 months £	1 – 2 years £	2 – 5 years £	More than 5 years £
31 December 2021							
Secured bank loans	97,539,716	128,108,693	-	-	128,108,693	-	-
Finance lease liabilities	3,745,424	5,218,308	96,480	472,248	756,293	2,154,642	1,738,645
Trade payables	9,110,143	9,110,143	9,110,143	-	-	-	-
Other payables	110,256,615	110,256,615	110,256,615	-	-	-	-
	220,651,898	252,693,759	119,463,238	472,248	128,864,986	2,154,642	1,738,645

Trust Payments

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

27. Financial instruments – fair values and risk management (continued)

27.1 Liquidity risk management (continued)	Carrying amount £ Total £	Maturity					More than 5 years £
		1 – 3 months £	3 – 12 months £	1 – 2 years £	2 – 5 years £		
31 December 2020							
Secured bank loans	73,818,363	99,975,869	-	-	-	99,975,869	-
Finance lease liabilities	1,964,541	2,140,839	-	219,985	-	370,650	1,550,204
Trade payables	5,341,425	5,341,425	5,341,425	-	-	-	-
Other payables	66,025,023	66,025,023	66,025,023	-	-	-	-
	147,149,352	173,483,156	71,366,448	219,985	100,346,519	1,550,204	

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**Notes to the Consolidated Financial Statements
for the year ended 31 December 2021**

27. Financial instruments – fair values and risk management (continued)

27.2 Fair value measurements

This note provides information about how the group determines fair values of various financial assets and liabilities.

Fair value of financial assets and liabilities that are measured at fair value on a recurring basis

Some of the group’s financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value at year end		Fair value hierarchy	Valuation technique(s) and key input(s)
	2021	2020		
Money market funds	7,906,099	8,203,811	Level 2	Quoted prices in active markets are identified for similar assets
Unlisted shares	1,309,304	1,306,050	Level 3	Fair value as at the financial reporting date, referenced has been made to similar listed instruments after applying a 15% discount to unmarketability



Trust Payments
**Notes to the Consolidated Financial Statements
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27. Financial instruments – fair values and risk management (continued)

27.2 Fair value measurements

Reconciliation of fair value measurements

	Money market funds £	Unlisted shares £	Total £
31 December 2021			
Opening balance	8,203,812	1,306,049	9,509,861
Total gains or losses:			
- in profit or loss	(28,812)	91,082	62,270
- foreign exchange movement	(268,899)	(87,829)	(356,728)
Closing balance	7,906,101	1,309,302	9,215,403

The level 3 assets are subject to the unobservable input of the discount due to unmarketability. A 5% change would increase/decrease the fair value by £65,465 (2020: £65,303).

	Money market funds £	Unlisted shares £	Total £
31 December 2020			
Opening balance	5,257,294	1,177,250	6,434,544
Total gains or losses			
- in profit or loss	69,860	61,390	131,250
- foreign exchange movement	309,495	67,409	376,904
Purchases	2,567,163	-	2,567,163
Closing balance	8,203,812	1,306,049	9,509,861

Trust Payments
**Notes to the Consolidated Financial Statements
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27.3 Changes in liabilities arising from financing activities - current period

	Loans £	Lease liability £	Total £
As at 1 January 2021	73,818,363	1,964,541	75,782,904
Proceeds of borrowing	13,218,940	2,297,558	15,516,498
Repayments made	-	(357,393)	(357,393)
Loan arrangement fees	243,132	-	243,132
Interest payable	13,183,933	186,085	13,370,018
Foreign exchange	(2,924,652)	(345,367)	(3,270,019)
As at 31 December 2021	97,539,716	3,745,424	101,285,140

Changes in liabilities arising from financing activities - prior year

	Loans £	Lease liability £	Total £
At 1 January 2020	57,368,206	2,245,846	59,614,052
Proceeds of borrowing	3,073,042	-	3,073,042
Repayments made	-	(483,393)	(483,393)
Loan arrangement fees	463,969	-	463,969
Interest payable	11,239,136	88,001	11,327,137
Foreign exchange	1,674,010	114,087	1,788,097
As at 31 December 2020	73,818,363	1,964,541	75,782,904

28. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Trust Payments Holdings Limited, an entity incorporated in England & Wales and with a registered office of 1 Royal Exchange, London, EC3V 3DG.

There is no one ultimate controlling party. The ultimate parent company is CORDET Direct Lending SCSp, an entity incorporated in Luxembourg.

Trust Payments
**Notes to the Consolidated Financial Statements
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29. Reconciliation between profit from operations and adjusted EBITDA (unaudited)

	2021 £	2020 £
Profit from operations	8,760,985	2,025,788
Depreciation	1,098,230	348,848
Amortisation	5,970,233	3,084,671
Foreign exchange (gains)/losses	(986,851)	3,659,741
Non-recurring costs	3,682,896	855,737
Share based payments	763,315	-
Performance based executive committee remuneration	1,400,000	1,075,450
	20,688,808	11,050,235

Adjusted EBITDA is a non-GAAP reporting measure.

30. Post balance sheet events

On 3 March 2022, borrowing facilities were extended by €6,000,000 (£4,996,296) to fund working capital requirements.





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