

**FONDY LTD  
STRATEGIC REPORT, DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

## Fondy Ltd Contents

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**Fondy Ltd**  
**Strategic Report**  
**For The Year Ended 31 December 2024**

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The directors present their strategic report for the year ended 31 December 2024.

**Review of the Business**

The Company is authorised by the UK Financial Conduct Authority (the "FCA") to act as an Authorised Electronic Money Institution. The Company's authorisation from the FCA also enables it to provide payment services.

During 2024, the Company continued its focus on building its client base for its payment processing business which enables E-Merchant clients to accept payment via the internet from their customers via credit and debit cards and other payment methods utilising the FONDY Platform.

Turnover decreased by approximately 6% from £77,951 in 2023 to £72,927 in 2024. We offer E-Merchants a product which is easy for them to implement and facilitates their growth in new markets by providing them with the ability to offer their customers a growing range of payment methods, including local payment methods in many markets. Our product also offers an anti-fraud system and a risk management system and the ability for our clients to generate reports on the demographics of their customers, including which countries they are from and which payment methods and currencies that they use. Our product also facilitates integration with clients' CRM and accounting systems.

Since October 2021, we commercially launched our payment accounts business, which is expected overtime to enhance our profitability. The E-Merchant clients of our payment processing business are a natural client base for the payment accounts business.

The Company generated a net loss of £645,415 (2023: £762,759), as a result of 1) the need to grow our client base and therefore increase the value of the transactions processed through us, 2) the high cost of processing card payments due to our small size and 3) the overhead costs, particularly employee costs, that a growing business must absorb. The company has continued to be loss making since 2021. However, we actively work to optimise our business model and attempt to increase the amount of higher margin non-card payment transactions which we process for our clients. We also enjoy the benefit of strong support from our parent company and shareholders as we execute our strategic plans.

**Principal Risks and Uncertainties**

The Company faces a variety of operational risks, including cybersecurity risk. The Company has put in place policies and procedures to monitor and minimise these risks.

The company trades in many different currencies and mitigates their exchange rate risk by holding monies in various different currency bank accounts

**Future Developments**

In 2024 and into 2025 we intend to expand the functionality offered by our payment accounts business, currently limited to transactions in GBP processed through the UK Faster Payments System, to include a multi-currency capability enabling accounts to be held in a variety of currencies and payments to be made through multiple international payment systems, such as SEPA and SWIFT. We are also developing a pay-out system for this business specifically targeted to entities, such as marketplaces and content aggregators, which have mass pay-nut needs. We believe that this additional functionality will substantially increase the customer take-up of our payment accounts business.

**Financial Key Performance Indicators**

The Board and senior management monitor the performance of the Company regularly. They use financial indicators such as amount of transaction values processed, revenue as a percentage of transaction value processed, gross and net profit margins and a regular review of overhead expenses. They also compare actual with projected performance regularly.

**Fondy Ltd**  
**Strategic Report (continued)**  
**For The Year Ended 31 December 2024**

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**Section 172(1) Statement**

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole.

In doing this, section 172 requires a director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct;
- need to act fairly as between members of the company.

In discharging our section 172 duties, we have regard to the factors set out above. We also have regard to other factors which we consider relevant to the decision being made. Those factors, for example, include the interests and relationships with employees, customers and suppliers. We acknowledge that every decision we make will not necessarily result in a positive outcome for all of our stake holders. By considering the Company's purpose, vision and values together with its strategic priorities and having a process in place for decision - making, we do, however, aim to make sure that our decisions are consistent and predictable.

The Company delegates authority for day-to-day management of the Company to senior management of the company and then engage management in setting, approving and overseeing the execution of the business strategy and related policies. The Company delegates to senior management to review the Company's financial and operational performance, risk and compliance, and health and safety matters. The views and the impact of the Company's activities on the Company's stakeholders (including its customers and suppliers) are an important consideration for us when making relevant decisions.

During the period the Company received information to help it understanding the interests and views of the Company's key stakeholders and other relevant factors when making decisions. This information was distributed in a range of different formats including in reports and presentations on our financial and operational performance, non-financial KPIs, risk, environmental, social and corporate governance matters and the outcomes of specific pieces of engagement. As a result of this, the Company has had an overview of engagement with stakeholders and other relevant factors which allows it to understand the nature of the stakeholders' concerns and to comply with its section 172 duty to promote success of the company.

Fondy Ltd is managed by several well trained and experienced staff who are the key to the success of the Company. They are from a diverse range of backgrounds in terms of education, religion, race, gender, age. In order to motivate staff and encourage them to be part of the key personnels, the company supports necessary on the job training as much as possible so that they can be part of the company's decision-making process. All the managers are invited to the Head Office's management meeting and share their views and concerns if there are any areas to improve or to increase the level of the service standards to customers.

On behalf of the board

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Ms Valcriia Vahorovska

Director

30/09/2025

**Fondy Ltd**  
**Company No. 10063984**  
**Directors' Report For The Year Ended 31 December 2024**

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The directors present their report and the financial statements for the year ended 31 December 2024.

#### **Principal Activity**

The company's principal activity continues to be that of Authorised electronic money institution and also to provide payment services.

#### **Dividends**

The value of dividends paid amounted to £NIL .

The directors recommended a final dividend of £NIL .

#### **Directors**

The directors who held office during the year were as follows:

Ms Valeriia Vahorovska

Mr David Brennan            Resigned 11/03/2024

#### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102, have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Corporate Governance Statement**

As directors of Fondy Ltd, we recognise the importance of sound corporate governance practices to promote long-term success and ensure the company operates in the best interests of its stakeholders, including suppliers, customers, employees, and shareholders.

#### **Fostering Business Relationships**

We have placed significant emphasis on fostering and maintaining strong relationships with our suppliers, customers, and other stakeholders. This commitment is reflected in the following key actions:

- **Suppliers:** We worked closely with our suppliers to ensure seamless service delivery and to optimise our payment processing systems. Regular communication allowed us to address challenges collaboratively, particularly in relation to service enhancements and cost-efficiency.
- **Customers:** To improve client satisfaction, we focused on delivering innovative solutions, such as anti-fraud systems and multi-currency payment capabilities. Our emphasis on understanding client needs led to the development of functionalities tailored to specific markets, which supported clients in expanding their businesses.
- **Stakeholders:** We continued to engage with our parent company, V&A Holding GmbH, to ensure robust financial support during this critical growth phase.
- **Regulators:** We value the opportunity to engage with regulators and governments and our aim is to continue to operate responsibly in a stable and supportive regulatory environment.

**Fondy Ltd**  
**Directors' Report (continued)**  
**For The Year Ended 31 December 2024**

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**Principal Decisions and Their Impact**

During the financial year, the board made several principal decisions to advance the company's strategic goals and address challenges:

1. **Focus on Expanding the Client Base:** A primary decision was to concentrate resources on building our banking clients and introducing multi-currency capabilities to attract UK based businesses. This decision reflects our long-term objective of increasing transaction volumes and diversifying revenue streams, despite short-term financial losses.
2. **Cost Management:** We optimized our cost structures, particularly within overhead and employee expenses, to balance growth with financial sustainability.
3. **Operational Enhancements:** Investments were made in improving the functionality of our payment accounts business, such as developing capabilities for international payment systems (SEPA and SWIFT) and mass pay-out systems for marketplace entities. These enhancements are expected to bolster customer adoption and improve profitability over time.

**Outcomes and Forward-Looking Considerations**

By fostering these relationships and making the above decisions, we are positioning Fondy Ltd for sustainable growth. While turnover decreased in 2024, we remain committed to refining our business model to improve profitability and customer satisfaction. Our strong partnership with stakeholders continues to support our strategic goals, ensuring we remain well-equipped to face future challenges.

**Statement of Disclosure of Information to Auditors**

In the case of each director in office at the date the Directors' Report is approved:

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

On behalf of the board

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Ms Valeriia Vahorovska

Director

30/09/2025

# **Independent Auditor's Report to the Members of Fondy Ltd**

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## **Opinion**

We have audited the financial statements of Fondy Ltd for the year ended 31 December 2024 which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes of Equity, Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit/(loss) for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions Relating to Going Concern**

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 entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on Other Matters Prescribed by the Companies Act 2006**

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

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

## **Independent Auditor's Report (continued) to the Members of Fondy Ltd**

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### **Matters on Which We Are Required to Report by Exception**

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

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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.
- We gained an understanding of how the company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls, and legal correspondence.
- The audit team, which is experienced in the audit of entities, considered the company's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that the income from donations and activities were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We also reviewed journal adjustments and unusual transactions for management override and considered the identification and disclosure of related party transactions.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **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 opinion we have formed.

**Independent Auditor's Report (continued)**  
**to the Members of**  
**Fondy Ltd**

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Susan Rahman BSc FCA (Senior Statutory Auditor)  
for and on behalf of KWSR & CO LTD , Statutory Auditor

30/09/2025

KWSR & CO LTD  
Statutory Auditor  
136 Merton High Street  
London  
SW19 1BA

**Fondy Ltd**  
**Profit and Loss Account**  
**For The Year Ended 31 December 2024**

	<b>Notes</b>	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
<b>TURNOVER</b>	<b>3</b>	72,927	77,951
Cost of sales		(171,401 )	(130,935 )
<b>GROSS LOSS</b>		(98,474 )	(52,984 )
Administrative expenses		(754,264 )	(1,122,335 )
Other operating income		205,447	410,296
<b>OPERATING LOSS</b>	<b>4</b>	(647,291 )	(765,023 )
Other interest receivable and similar income		1,876	2,264
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(645,415 )</u>	<u>(762,759 )</u>

The notes on pages 13 to 18 form part of these financial statements.

**Fondy Ltd**  
**Statement of Comprehensive Income**  
**For The Year Ended 31 December 2024**

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	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>LOSS FOR THE FINANCIAL YEAR</b>	(645,415 )	(762,759 )
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>(645,415 )</u>	<u>(762,759 )</u>

**Fondy Ltd**  
**Balance Sheet**  
**As At 31 December 2024**

Registered number: 10063984

	Notes	2024		2023	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	9	847,810		968,917	
Cash at bank and in hand		71,617		190,308	
		919,427		1,159,225	
<b>Creditors: Amounts Falling Due Within One Year</b>	10	(530,192 )		(717,145 )	
<b>NET CURRENT ASSETS (LIABILITIES)</b>			389,235		442,080
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			389,235		442,080
<b>NET ASSETS</b>			389,235		442,080
<b>CAPITAL AND RESERVES</b>					
Called up share capital	11		3,997,742		3,405,172
Profit and Loss Account			(3,608,507 )		(2,963,092 )
<b>SHAREHOLDERS' FUNDS</b>			389,235		442,080

The financial statements were approved by the board of directors on 30 September 2025 and were signed on its behalf by:

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Ms Valeriia Vahorovska  
Director

The notes on pages 13 to 18 form part of these financial statements.

**Fondy Ltd**  
**Statement of Changes in Equity**  
**For The Year Ended 31 December 2024**

	<b>Share Capital</b>	<b>Profit and Loss Account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
As at 1 January 2023	2,451,222	(2,200,333 )	250,889
Loss for the year and total comprehensive income	-	(762,759 )	(762,759)
Arising on shares issued during the period	953,950	-	953,950
As at 31 December 2023 and 1 January 2024	<u>3,405,172</u>	<u>(2,963,092 )</u>	<u>442,080</u>
Loss for the year and total comprehensive income	-	(645,415 )	(645,415)
Arising on shares issued during the period	592,570	-	592,570
As at 31 December 2024	<u>3,997,742</u>	<u>(3,608,507 )</u>	<u>389,235</u>

**Fondy Ltd**  
**Statement of Cash Flows**  
**For The Year Ended 31 December 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operations	1	(713,191 )	(905,260 )
Net cash used in operating activities		<u>(713,191 )</u>	<u>(905,260 )</u>
<b>Cash flows from investing activities</b>			
Interest received		1,876	2,264
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital		592,570	953,950
Amount introduced by directors		54	1,281
Net cash generated from financing activities		<u>592,624</u>	<u>955,231</u>
(Decrease)/increase in cash and cash equivalents		<u>(118,691 )</u>	<u>52,235</u>
Cash and cash equivalents at beginning of year	2	<u>190,308</u>	<u>138,073</u>
Cash and cash equivalents at end of year	2	<u><u>71,617</u></u>	<u><u>190,308</u></u>

**Fondy Ltd**  
**Notes to the Statement of Cash Flows**  
**For The Year Ended 31 December 2024**

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**1. Reconciliation of loss for the financial year to cash used in operations**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(645,415 )	(762,759 )
<i>Adjustments for:</i>		
Interest income	(1,876 )	(2,264 )
<i>Movements in working capital:</i>		
Decrease in trade and other debtors	121,053	493,767
Decrease in trade and other creditors	(186,953 )	(634,004 )
Net cash used in operations	<u>(713,191 )</u>	<u>(905,260 )</u>

**2. Cash and cash equivalents**

Cash and cash equivalents, as stated in the Statement of Cash Flows, relates to the following items in the Balance Sheet:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>71,617</u>	<u>190,308</u>

**3. Analysis of changes in net funds**

	<b>As at 1 January 2024</b>	<b>Cash flows</b>	<b>As at 31 December 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>190,308</u>	<u>(118,691)</u>	<u>71,617</u>

**Fondy Ltd**  
**Notes to the Financial Statements**  
**For The Year Ended 31 December 2024**

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**1. General Information**

Fondy Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 10063984 . The registered office is Rise London, 41 Luke Street, London, England, EC2A 4DP.

**2. Accounting Policies**

**2.1. Basis of Preparation of Financial Statements**

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

The financial statements are presented in pound sterling, which is also the functional currency of the company. The financial statements are rounded to nearest pound.

**2.2. Going Concern Disclosure**

The financial statements have been prepared on a going concern basis. The directors have considered the company's financial position, cash flow projections, and the availability of financial support from its parent entity, V&A Holding GmbH, when making this assessment.

The company incurred a net loss of £645,415 during the year ended 31 December 2024 (2023: £762,759), reflecting ongoing investment in strategic growth initiatives. Despite these losses, the directors are confident in the company's ability to meet its financial obligations for the following reasons:

1. **Parent Company Support:** The company has received confirmation of continued financial support from its ultimate parent entity, V&A Holding GmbH, which has consistently provided backing to cover operational requirements and fund growth plans.
2. **Strategic Developments:** The directors have implemented measures to enhance profitability, including focusing on higher-margin non-card payment transactions and expanding the payment accounts business to include multi-currency capabilities. The firm has integrated with international payment systems such as SEPA and SWIFT. Further the firm is now progressing rapidly to deploy open-banking capabilities for all UK based payment accounts.
3. **Resilience of Business Model:** The company's robust client relationships, combined with its ability to adapt products to meet client needs, provide confidence in its capacity to generate improved transaction volumes and revenue over time.

The directors regularly review financial forecasts and maintain close communication with the parent company to ensure sufficient resources are available. Based on this review, the directors are satisfied that there are no material uncertainties that may cast significant doubt on the company's ability to continue as a going concern for at least 12 months from the date of signing these financial statements.

Accordingly, the directors believe it is appropriate to prepare the financial statements on a going concern basis.

**2.3. Significant judgements and estimations**

In the application of the company's accounting policies, the directors are required to make judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These judgements and estimations are based on historical experience and other relevant factors considered reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where applicable, and in future periods where such revisions affect both current and future reporting periods.

For the financial year ended 31 December 2024, the directors have assessed that there are no material judgements or estimations requiring additional disclosure. All estimates made have been consistent with the company's accounting policies and do not have a material impact on the financial statements.

**2.4. Turnover**

Revenue is measured at the fair value of the consideration received or receivable. Revenue derived directly from payment transactions is recognized at the stage of payment transaction authorization. Certain other revenues from payment transaction clients are recognised when due under the relevant contracts with the clients.

**Fondy Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2024**

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#### **2.5. Leasing and Hire Purchase Contracts**

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

#### **2.6. Cash and Cash Equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

#### **2.7. Financial Instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly payable or receivable within one year) including loans and other accounts receivable and payable, are initially measured at present value of the future cashflows and subsequently at amortised cost using the effective interest rate method. Debt instruments that are payable or receivable within one year, typical trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration to be expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in the case of an outright short-term loan that is not at market value, the financial asset or liability is measured, initially at present value of future cashflow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment, if found, the impairment loss is taken to the income statement.

Financial assets and liabilities are offset, and the net amount reported on the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability individually.

#### **2.8. Foreign Currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **2.9. Taxation**

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

**Fondy Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2024**

**2.10. Pensions**

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Difference between contributions payable in the year and contributions paid are shown as either accruals or prepayments in the balance sheet.

**3. Turnover**

Analysis of turnover by class of business is as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Payment transactions	72,927	77,951

Analysis of turnover by geographical market is as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
United Kingdom	72,927	77,951
	<u>72,927</u>	<u>77,951</u>

**4. Operating Loss**

The operating loss is stated after charging:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bad debts	747	164,258
Operating lease rentals	-	290

**5. Auditor's Remuneration**

Remuneration received by the company's auditors and their associates during the year was as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Audit Services</b>		
Audit of the company's financial statements	9,600	7,100

**6. Staff Costs**

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	580,970	821,419
Other pension costs	11,761	16,877
	<u>592,731</u>	<u>838,296</u>

**Fondy Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2024**

**7. Average Number of Employees**

Average number of employees, including directors, during the year was as follows:

	<b>2024</b>	<b>2023</b>
Office and administration	12	12
	<u>12</u>	<u>12</u>

**8. Tax on Profit**

The tax (credit)/charge on the loss for the year was as follows:

	<b>Tax Rate</b>		<b>2024</b>	<b>2023</b>
	<b>2024</b>	<b>2023</b>	<b>£</b>	<b>£</b>
<b>Current tax</b>				
UK Corporation Tax	-	19.0%	<u>-</u>	<u>-</u>

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Profit before tax</b>	(645,415)	(762,759)
Tax on profit at 0% (UK standard rate)	(122,629 )	(144,924 )
Tax losses unutilised carried forward	122,629	144,924
Total tax charge for the period	<u>-</u>	<u>-</u>

**9. Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Trade debtors	10	4,789
Amounts owed by group undertakings	842,719	939,604
Other debtors	5,081	24,524
	<u>847,810</u>	<u>968,917</u>

**10. Creditors: Amounts Falling Due Within One Year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	215,674	304,782
Other creditors	19,688	50,286
Taxation and social security	262,255	359,462
Accruals and deferred income	32,575	2,615
	<u>530,192</u>	<u>717,145</u>

**Fondy Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2024**

**11. Share Capital**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
3,997,742 Ordinary Shares of £ 1.00 each	3,997,742	3,405,172
<b>Shares issued during the period:</b>		<b>£</b>
592,570 Ordinary Shares of £ 1.00 each		592,570

**12. Pension Commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

During the year the charge to profit or loss in respect of defined contribution schemes was £11,761 (2023: £16,877).

At the balance sheet date contributions of £NIL were due to the fund and are included in creditors.

**13. Directors Advances, Credits and Guarantees**

Included within Debtors are the following loans to directors:

	<b>As at 1 January 2024</b>	<b>Amounts advanced</b>	<b>Amounts repaid</b>	<b>Amounts written off</b>	<b>As at 31 December 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Ms Valeriia Vahorovska	1,312	-	54	-	1,258

The above loan is unsecured, interest free and repayable on demand.

**14. Related Party Disclosures**

At the year end V Vahorovska owed the company £1,258 (2023 £1,312). The loan is subject to interest of 0.5% per annum, which will be paid along with the principal. The loan is repayable on demand.

**V&A Holding GmbH**

At the year end V&A Holding GmbH (parent company) owed the company £134,273 (2023: £46,764). The loan is subject to interest of 0.5% per annum, which will be paid along with the principal. The loan is repayable on demand.

At the year end V&A Holding GmbH owed the company £134,273 (2023: £46,764), for the recharge of costs.

On 1 January 2018, the Company entered into a contract with its parent company, V&A Holding GmbH, for the use of a software package for operation of an internet payments system. Under the contract, the Company is obligated to pay €1,000 in 2018 and €3,000 per year thereafter. This year the company incurred an expense of £2,486 (2023: £2,605).

**Fondy Group Limited**

At the year-end Fondy Group (parent company) owed the company £83,269 for the recharge of costs.

**Fondy IT Dev and Research Limited**

At the year end Fondy IT Dev and Research Limited (a company controlled by one of the directors) owed the company £Nil (2023: £110,955). The loan from Fondy IT Dev and Research Limited was moved to V&A Holding GmbH during the year.

**15. Controlling Parties**

The company's immediate parent undertaking is Fondy Group Limited .

The ultimate parent undertaking is V&A Holding GmbH (incorporated in Austria). Its registered office is Borseplatz 4, Vienna 1010, Austria .

Copies of the group accounts may be obtained from the company's registered office.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.