

MONEYEXPERT LIMITED
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016

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COMPANIES HOUSE

MONEYEXPERT LIMITED

COMPANY INFORMATION

Directors

M Rowe
N D Warr

Secretary

M Rowe

Company number

04765843

Registered office

First Floor, Huxley House
Weyside Park
Catteshall Lane
Godalming
Surrey
GU7 1XE

MONEYEXPERT LIMITED

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MONEYEXPERT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report for the year ended 31 December 2016.

Fair review of the business

Turnover for the company was £2,256,119 for the year to 31 December 2016 compared to £1,855,071 for the year to 31 December 2015 generating a loss after tax of £4,183 (2015: £272,612).

The company continued to develop its market presence but in a more focused way, and has reduced the number of affiliates that it had been working with to generate traffic as a result.

The company complies with all necessary legislation and is regulated by the FCA, OFT, DTI, ICO and Ofgem.

Principal risks and uncertainties

The financial market in which the company operates remains challenging and the level of competition is fierce. The company intends to invest further in developing the business in order to be able to compete against the major players who are all investing substantially in growing and consolidating their market positions. This has led to revenue growth compared with the previous year and board expects to see that growth accelerate throughout 2017.

Going concern

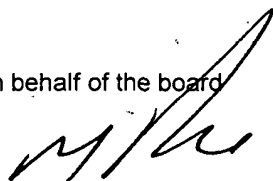
The directors have reviewed the forecasted cash-flows and profits of the company and believe that there are adequate resources available to enable the company to meet its liabilities for at least one year from the date the financial statements are signed. The preference shareholders have confirmed that they will not redeem the preference shares unless sufficient funds are available. For these reasons, the directors have adopted the going concern basis in preparing the financial statements.

Key performance indicators

The company monitors its performance through the key indicators set out in the table below:

	31-Dec-16 £	31-Dec-15 £
Turnover	2,256,119	1,855,071
Profit before interest, tax, depreciation and amortisation	34,016	328,796
Cash at bank and in hand	298,827	8,387

On behalf of the board



M Rowe
Director

Date: 31st August 2017

MONEYEXPERT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity is that of an internet based price comparison and lead generation service across a wide range of markets.

Directors

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

M Rowe
N D Warr

Results and dividends

The results for the year are set out on page 4.

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

Qualifying third party indemnity provisions

The group maintains liability insurance for its directors and officers. The group also provided an indemnity for its directors and the secretary, which is a qualifying third party indemnity insurance provision for the purposes of the Companies Act 2006.

Future developments

The company intends to continue to develop its range of services which mainly consist of internet based price comparison and lead generation services so that it becomes one of the top niche players in the market.

The company recognised the importance and value of its IT base, and will continue to invest in the quality of its IT team and the platform that drives the company to ensure that it remains competitive in this fast moving and technically leading edge industry.

Financial instruments

The directors and management are constantly reviewing the objectives of the business operations to identify areas where they are able to reduce the level of financial risk without impacting on performance.

The company does not have any foreign currency dealings or hedge arrangements.

The company does not provide credit terms to its customers. The majority of these are major providers such as banks, insurance and energy companies which are not expected to be in danger of default. The company also extends credit to a number of smaller product brokers. The directors are mindful of the potential impact of the economic downturn on those brokers and the risk of default from any falling into financial difficulties. The directors will seek to ensure that any potential risk of default is limited to the smallest extent possible.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



M Rowe
Director

Date: 31st August 2017

MONEYEXPERT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors are responsible for preparing the Strategic Report and 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 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

MONEYEXPERT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	2	2,256,119	1,855,071
Cost of sales		(1,197,971)	(477,894)
Gross profit		1,058,148	1,377,177
Administrative expenses		(1,079,048)	(1,069,162)
Exceptional item	3	-	(35,000)
Operating profit	6	(20,900)	273,015
Interest payable and similar expenses	7	-	(403)
Profit before taxation		(20,900)	272,612
Taxation	8	16,716	-
Profit for the financial year	17	(4,184)	272,612

MONEYEXPERT LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Goodwill	9		196,875		214,375
Tangible assets	10		87,515		117,971
Investments	11		25,000		25,000
			<u>309,390</u>		<u>357,346</u>
Current assets					
Debtors	13	3,786,953		3,800,466	
Cash at bank and in-hand		298,827		8,387	
		<u>4,085,780</u>		<u>3,808,853</u>	
Creditors: amounts falling due within one year	14	(4,165,698)		(3,932,544)	
Net current liabilities			<u>(79,918)</u>		<u>(123,691)</u>
Total assets less current liabilities			<u>229,472</u>		<u>233,655</u>
Capital and reserves					
Called up share capital	16	3,635,498		3,635,498	
Share premium account	17	3,852,987		3,852,987	
Profit and loss reserves	17	(7,259,013)		(7,254,830)	
Total equity			<u>229,472</u>		<u>233,655</u>

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 31st August 2017 and are signed on its behalf by:



 M Rowe
 Director

MONEYEXPERT LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2015	3,635,498	3,852,987	(7,527,441)	(38,956)
Year ended 31 December 2015:				
Profit and total comprehensive income for the year	-	-	272,612	272,612
Balance at 31 December 2015	3,635,498	3,852,987	(7,254,829)	233,656
Year ended 31 December 2016:				
Profit and total comprehensive income for the year	-	-	(4,185)	(4,184)
Balance at 31 December 2016	3,635,498	3,852,987	(7,259,014)	229,472

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

MoneyExpert Limited is a private company limited by shares incorporated in England and Wales. The registered office is First Floor, Huxley House, Weyside Park, Catteshall Lane, Godalming, Surrey, GU7 1XE.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

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

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

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

These financial statements are the first financial statements of MoneyExpert Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of MoneyExpert Limited for the year ended 31 December 2015 were prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) ("FRSSE").

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in equity at the transition date and are detailed in note 23.

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

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Preparation of group accounts

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

MoneyExpert Limited is a wholly owned subsidiary of MoneyExpert Holdings Limited and the results of MoneyExpert Limited are included in the consolidated financial statements of MoneyExpert Holdings Limited which are available from Companies House.

Going concern

The directors have reviewed the forecasted cash flows and profits of the company and believe that there are adequate resources available to enable the company to meet its liabilities for at least one year from the date the financial statements are signed. The main preference shareholders within the parent company MoneyExpert Holdings Limited have confirmed that they will not redeem the preference shares unless sufficient funds are available. For these reasons, the directors have adopted the going concern basis in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Click based revenues

Click based revenues and associated costs are recognised in the period that the lead is invoiced, cash backs are provided to customers on completion of certain product ranges. Cash backs are shown as a cost of sale and recognised on a previous claims profile basis.

Brokerage commissions

Brokerage commissions are recognised at the point of completion of the transaction with the customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Tangible fixed assets

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

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

Plant and machinery	17-33% per annum
Fixtures, fittings & equipment	20% per annum

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

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

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

Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include amounts owed by fellow group companies, trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

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

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax assets are recognised to the extent that they are expected to be recovered in the foreseeable future.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

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

2 Turnover

The analysis of turnover by class of business and the geographical analysis of turnover have not been given as in the opinion of the directors such disclosure would be seriously prejudicial to the interests of the company.

3 Exceptional item

	2016 £	2015 £
Loss on sale of investments	-	35,000
Debt write offs and specialist consultancy	298,000	

There are exceptional items in the current year. These consist of a write-off of a debt owed by a company with common ownership and which arose as a result of normal trading activities, and from specialist consultancy advice purchased throughout the year. The exceptional item from the prior year arose through the loss on a sale of an investment in a connected party.

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

4 Employees

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

	2016 Number	2015 Number
Management	2	2
Administration, sales & customer service	11	7
	<u>13</u>	<u>9</u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	314,066	270,558
Social security costs	31,654	30,390
Pension costs	1,571	1,090
	<u>347,291</u>	<u>302,038</u>

5 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	<u>35,278</u>	<u>18,000</u>

6 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	37,416	39,738
Amortisation of intangible assets	17,500	16,042
Operating lease charges	<u>7,690</u>	<u>15,691</u>

7 Interest payable and similar expenses

	2016 £	2015 £
Interest on bank overdrafts and loans	<u>-</u>	<u>403</u>

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	-	-
Adjustments in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	<u>(4,184)</u>	<u>272,612</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	(837)	55,204
Tax effect of expenses that are not deductible in determining taxable profit	1,399	3,373
Tax effect of utilisation of tax losses not previously recognised	(7,580)	(66,310)
Effect of change in unprovided deferred tax	<u>7,018</u>	<u>7,733</u>
Taxation for the year	<u>-</u>	<u>-</u>

9 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2016 and 31 December 2016	<u>350,000</u>
Amortisation and impairment	
At 1 January 2016	135,625
Amortisation charged for the year	<u>17,500</u>
At 31 December 2016	<u>153,125</u>
Carrying amount	
At 31 December 2016	<u>196,875</u>
At 31 December 2015	<u>214,375</u>

The amortisation of goodwill for the year is included within administrative expenses.

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2016	385,767	354,810	740,577
Additions	6,960	-	6,960
At 31 December 2016	392,727	354,810	747,537
Depreciation and impairment			
At 1 January 2016	380,321	242,285	622,606
Depreciation charged in the year	2,327	35,089	37,416
At 31 December 2016	382,648	277,374	660,022
Carrying amount			
At 31 December 2016	10,079	77,436	87,515
At 31 December 2015	5,446	112,525	117,971

11 Fixed asset investments

	Notes	2016 £	2015 £
Investments in subsidiaries	12	25,000	25,000

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2016 & 31 December 2016	25,000
Carrying amount	
At 31 December 2016	25,000
At 31 December 2015	25,000

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
MoneyExpert Insurance Services Limited	First Floor, Huxley House, Weyside Park, Catteshall Lane, Godalming, GU7 1XE	FCA registration holder to 30 June 2016	Ordinary	100.00	

13 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	425,691	146,304
Amounts owed by group undertakings	1,045,484	1,045,484
Other debtors	2,261,379	2,583,094
Prepayments and accrued income	54,399	25,584
	<u>3,786,953</u>	<u>3,800,466</u>

14 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	499,814	265,482
Amounts due to group undertakings	2,756,750	2,767,490
Other taxation and social security	14,802	6,749
Other creditors	714,620	723,043
Accruals and deferred income	179,712	169,780
	<u>4,165,698</u>	<u>3,932,544</u>

Included within other creditors is a VAT creditor which relates to an ongoing dispute in relation to VAT partial exemption calculations for the period 1 December 2005 to 31 December 2009. A formal claim has been received in August 2015. The company has a counter-claim on the ultimate parent company for the liability relating to the period 1 December 2005 to 19 March 2008. Therefore, the net exposure to the company in relation to this dispute for the year ended 31 December 2016 is predicted to be £497,433 (2015: £497,433).

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

15 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	1,571	1,090

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

16 Share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
36,354,980 Ordinary shares of 10p each	3,635,498	3,635,498

17 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

18 Financial commitments, guarantees and contingent liabilities

MoneyExpert Limited was a member of a group VAT registration with Mighty Deals Limited and Owl Solutions Limited. Owl Solutions Limited being removed from the VAT registration group in April 2015. The current group liability is £75,989. Should the other member of the group fail to pay, MoneyExpert Limited would be liable for the whole amount.

A rental deposit was taken by the landlord on 20th April 2015 but no further security was given by the company to cover future rent and service charges.

19 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	64,505	64,505
Between one and five years	13,649	78,150
	<u>78,154</u>	<u>142,655</u>

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

20 Related party transactions

Nigel Warr and Mike Rowe are both directors and shareholders of House and Home Care Limited, a customer of MoneyExpert Limited. During the year MoneyExpert Limited invoiced £102,300 (2015: £613,610) to House and Home Care Limited for its services and recharged expenses of £161,851 (2015: £264,827). At the year-end a balance of £2,099,439 (2015: £2,349,984) was due from House and Home Care Limited.

Mighty Deals Limited, a company under common control until 27 November 2016 were invoiced £107,098 (2015: £270,113) for services provided and were recharged expenses of £221,398 (2015: £nil) by MoneyExpert Limited. At the year end the company was owed £32,200 by the related entity (2015: £218,249).

Nigel Warr is both a director and principal shareholder of Marathon Investments Limited, a supplier of services to MoneyExpert Limited. During the year, Marathon Investments Limited invoiced £145,000 (2015: £224,800) for its services. At the year-end there was £60,200 (2015: £24,200) owed to Marathon Investments Limited, by the company.

21 Directors' transactions

Advances or credits have been granted by the company to its directors as follows:

At 31 December 2016	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
M Rowe - Loan account	-	51,000	-	51,000
N D Warr - Loan account	11,963	-	(110)	11,853
	<u>11,963</u>	<u>51,000</u>	<u>(110)</u>	<u>39,147</u>
At 31 December 2015	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
M Rowe - Loan account	50,000	-	(50,000)	-
N D Warr - Loan account	153,875	8,088	(150,000)	11,963
	<u>203,875</u>	<u>8,088</u>	<u>(200,000)</u>	<u>11,963</u>

No interest is charged on these accounts and there are no set repayment terms.

The opening balances were the maximum overdrawn positions on the accounts during the year.

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

22 Parent company and controlling party

MoneyExpert Holdings Limited is regarded by the directors as being the company's ultimate parent company.

The largest and smallest group in which the results of the company are consolidated is that headed by MoneyExpert Holdings Limited. The consolidated financial statements of this group are available to the public. Copies of the group financial statements may be obtained from Companies House.

The ultimate controlling party is N D Warr.

23 Reconciliations on adoption of FRS 102

Reconciliation of equity

Notes	At 1 January 2015			At 31 December 2015		
	Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	£	£	£	£	£	£
Fixed assets						
Goodwill	-	-	-	214,375	-	214,375
Tangible assets	-	-	-	117,971	-	117,971
Investments	-	-	-	25,000	-	25,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>357,346</u>	<u>-</u>	<u>357,346</u>
Current assets						
Debtors due after one year	a	-	(1,045,484)	(1,045,484)	1,045,484	-
Debtors due within one year	a	(38,957)	1,045,484	2,754,982	1,045,484	3,800,466
Bank and cash		-	-	8,387	-	8,387
	<u>(38,957)</u>	<u>-</u>	<u>(38,957)</u>	<u>1,717,885</u>	<u>2,090,968</u>	<u>3,808,853</u>
Creditors due within one year						
Borrowings		-	-	(11,853)	-	(11,853)
Taxation		-	-	(6,749)	-	(6,749)
Other creditors	a	-	(2,756,750)	(1,157,192)	(2,756,750)	(3,913,942)
	<u>-</u>	<u>(2,756,750)</u>	<u>(2,756,750)</u>	<u>(1,175,794)</u>	<u>(2,756,750)</u>	<u>(3,932,544)</u>
Net current liabilities		(38,957)	(2,756,750)	542,091	(665,782)	(123,691)
Total assets less current liabilities		(38,957)	(2,756,750)	899,437	(665,782)	233,655
Creditors due after one year						
Other creditors	a	-	2,756,750	(2,756,750)	2,756,750	-
Net assets		(38,957)	(38,957)	(1,857,313)	2,090,968	233,655

MONEYEXPERT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

23 Reconciliations on adoption of FRS 102

Notes	At 1 January 2015			At 31 December 2015		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Capital and reserves						
Share capital	3,635,498	-	3,635,498	3,635,498	-	3,635,498
Share premium	3,852,987	-	3,852,987	3,852,987	-	3,852,987
Profit and loss	(7,527,442)	-	(7,527,442)	(7,254,830)	-	(7,254,830)
Total equity	(38,957)	-	(38,957)	233,655	-	233,655

Reconciliation of profit for the financial period

Notes	Year ended 31 December 2015		
	Previous UK GAAP £	Effect of transition £	FRS 102 £
Turnover	1,855,071	-	1,855,071
Cost of sales	(477,894)	-	(477,894)
Gross profit	1,377,177	-	1,377,177
Administrative expenses	(1,069,162)	-	(1,069,162)
Exceptional items	(35,000)	-	(35,000)
Operating profit	273,015	-	273,015
Interest payable and similar expenses	(403)	-	(403)
Taxation	-	-	-
Profit for the financial period	272,612	-	272,612

Notes to reconciliations on adoption of FRS 102

a - Reallocation of inter group debt

Amounts due to fellow group companies have been reclassified from due after more than one year, to due within one year.

The effect at the transition date, 1 January 2015, and at 31 December 2015 was to increase debtors due within one year by £1,045,484 and decrease debtors due after one year by the same amount.

The effect at the transition date, 1 January 2015, and at 31 December 2015 was to increase creditors due within one year by £2,756,750 and decrease creditors due after one year by the same amount.

There was no effect on total equity at either date:

MONEYEXPERT LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

MONEYEXPERT LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	£	2016 £	£	2015 £
Turnover				
Sales of goods		2,256,119		1,855,071
Cost of sales				
Direct costs	1,197,971		477,894	
		<u>1,197,971</u>		<u>(477,894)</u>
Gross profit		1,058,148		1,377,177
Administrative expenses		(781,048)		(1,069,162)
Exceptional items				
Loss on sale of investments	-		(35,000)	
Other	<u>(298,000)</u>		<u>-</u>	
		-		<u>(35,000)</u>
Operating profit		<u>(20,900)</u>		273,015
Interest payable and similar expenses				
Bank interest on loans and overdrafts		-		<u>(403)</u>
Profit before taxation		<u>(20,900)</u>		<u>272,612</u>

MONEYEXPERT LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
Administrative expenses		
Wages and salaries	289,835	252,558
Social security costs	29,313	30,390
Staff pension costs defined contribution	1,571	1,090
Directors' remuneration	33,000	18,000
Rent re operating leases	5,704	15,691
Rates and water	3,003	3,031
Training and recruitment fees	25,972	-
Cleaning	105	1,655
Power, light and heat	250	(5,017)
Property repairs and maintenance	532	45,415
Insurance	7,301	11,883
Computer running costs	5,328	11,473
Licences and insurance	20,905	23,243
Motor running expenses	164	2,064
Travelling expenses	24,831	6,510
Professional fees	155,255	248,685
Subscriptions	35	36
Legal fees	15,090	27,413
Consultancy fees	28,954	65,102
Accountancy	18,720	27,852
Bank charges	14,309	5,626
Bad and doubtful debts	-	24,762
Printing and stationery	11,770	10,412
Advertising and marketing	171,904	116,291
Hosting fees	25,260	15,460
Compliance	11,780	10,000
Data feed	43,237	59,020
Telecommunications	19,785	46,814
Entertaining	16,094	6,302
Sundry expenses	44,126	(68,379)
Amortisation	17,500	16,042
Depreciation	37,415	39,738
	<u>1,079,048</u>	<u>1,069,162</u>