

**Moneycorp CFX Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2021**

Registered number: 04780562



## **Moneycorp CFX Limited**

### **Company information**

**Company registration number**  
04780562

**Date of incorporation**  
29 May 2003

**Registered office**  
Floor 5, Zig Zag Building  
70 Victoria Street  
London  
SW1E 6SQ

**Director**  
M Horgan

**Independent auditor**  
BDO LLP  
55 Baker Street  
London  
W1U 7EU

**Trading name**  
moneycorp

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# **Moneycorp CFX Limited**

## **Strategic report**

For the year ended 31 December 2021

The Director present the strategic report for Moneycorp CFX Limited (the 'Company') for the year ended 31 December 2021. The Company is incorporated and domiciled in England and Wales, United Kingdom (UK).

### **Principal activity and overview**

The principal activity of the Company is the provision of retail cash services to individuals. The Company provides these services from specialist foreign exchange stores and ATMs in London and in UK airports.

In 2020 the Directors of the wider Moneycorp Group (see note 27 to the financial statements for the definition of the Moneycorp Group) made the strategic decision to exit retail operations given they were no longer in line with the Moneycorp Group's long term goals. As a result of this, the Company has ceased trading subsequent to the balance sheet date and the Director is currently in the process of winding up the business (refer to Company outlook below for further details).

### **Operating review**

In line with the wider Moneycorp Group's strategic decision above, the Company exited four of its five airport contracts during 2020, and in 2021 closed all bureau de change operations at its London stores. Following the exit of the one remaining airport contract in April 2022 (refer to subsequent events for further details), all retail operations have ceased and the Company is no longer trading.

The exit of four of five airport contracts in 2020, coupled with the impact of COVID-19 which resulted in the forced closure of bureaux and decreased the number of passengers at airports, has significantly reduced the revenue generated by the Company for the year. Revenue for 2021 was £4,220k compared to £11,648k in the prior year, represented a decrease of £7,428k (64%).

Included in the prior year operating loss was £3,786k in relation to unavoidable future losses associated with the Gatwick Airport contract, which was deemed onerous. The partial release of this in 2021 has helped offset the impact of closing down operations in terms of overall trading losses. As a result the Company reported a profit of £244k for the year (2020: loss of £9,190k).

The net assets of the Company at 31 December 2021 were £38,551k (2020: £38,327k).

### **Company outlook**

The Company continued to have a physical presence at Gatwick Airport until April 2022, from which point the Company is no longer trading. Management are currently in the process of winding up the Company. Further information on how the decision to cease operations has affected the financial statements can be found in note 2 to the financial statements.

### **Going concern**

The Director has concluded that is not appropriate to prepare the financial statements on a going concern basis given the intention to cease retail operations. The financial statements have therefore been prepared on a basis that is consistent with UK adopted international accounting standards, amended to reflect the fact that the 'going concern' assumption is not appropriate. The 'normal' recognition and measurement requirements of UK adopted international accounting standards have been used as the starting point for accounting. Provisions have been recognised for onerous contracts and other costs associated with the Company wind up.

# Moneycorp CFX Limited

## Strategic report

For the year ended 31 December 2021

### **Risk management**

The Company's risk management framework is designed to ensure that material business risks throughout the organisation are identified and effectively managed. The Company, and wider Moneycorp Group, operates a risk management model with three lines of defence, being management control, risk and compliance oversight functions and independent assurance. The responsibility for risk management resides at all levels, from the Board and the executive committee down through the organisation.

These responsibilities are distributed so that risk versus return decisions are taken at the most appropriate level, as close as possible to the business, and remain subject to effective review and challenge. The responsibilities for effective review and challenge reside with senior managers, the audit committee, internal audit, the independent risk function, the risk committee and ultimately the Board.

The Director has identified the following key areas of risk:

### **Operational risk**

Management has identified operational risk as the business's primary risk. Operational risk includes the risk arising within the organisation from inadequate or failed internal processes, inadequately designed or maintained systems, inappropriate staff levels or inadequately skilled or managed people. Operational risk exposures are identified, managed and controlled by management at all levels of the Company. Internal controls include the organisational structures and delegation of authority within the Company. Systems are designed to manage and, as far as possible, eliminate the risk of failure to achieve business objectives. They can provide robust, but not absolute, assurance against material misstatement or loss.

The Company leverages off the Moneycorp Group's systems and infrastructure, whose operational budgets include appropriate investment levels to ensure that critical systems and processes are maintained, client data is protected and staff are properly trained and developed.

### **Regulation and compliance risk**

The Company is registered with Her Majesty's Revenue and Customs (HMRC) as a Money Service Business. Regulatory and compliance policy is led centrally by the Moneycorp Chief Risk and Compliance Officer (CRCO) and there is a dedicated compliance team within the business. This team ensures compliance with Anti Money Laundering and Countering Financing of Terrorism (AML/CFT), sanctions and other legal, regulatory and licensing requirements including compliance with all HMRC requirements. The Moneycorp Group's legal team, in conjunction with external legal counsel, advises on the regulatory environment in which the Company operates, and provides advice on any measures required to maintain operating licences.

### **Cyber and technology risk**

The Company and wider Moneycorp Group has adopted the "Three Lines of Defence" for information and cyber security. The dedicated Information Security Team, headed by the Group Chief Information Security Officer, acts as the second line of defence, reporting into the CRCO.

The Moneycorp Group has invested in the ISO27001 security programme to enhance the identification, protection, detection, response and recovery, from any potential security incident. The Group also has a mandatory security training programme to increase awareness of the potential threats and tactics used by cyber criminals.

### **Financial risks**

**Currency risk** - The Company maintains bank balances and physical cash stocks in a number of currencies and also invoices and receives payments in these currencies. The Company is therefore exposed to movements in foreign exchange rates on these balances.

**Liquidity risk** - Liquidity risk is the risk that the Company will encounter difficulty in meeting its short-term financial obligations as they fall due. The Company is exposed to short term working capital requirements with regards to the settlement of client payments taken by credit or debit cards. These settlements are received by the Company on the following working day.

## Moneycorp CFX Limited

### Strategic report

For the year ended 31 December 2021

#### Risk management - continued

##### *Financial risks – continued*

**Credit risk** - Credit risk arises from the possibility that the Company will incur financial loss from the failure of a client or counterparty to meet its obligations under a contract. The Company does not generally provide credit to its clients but credit exposures can arise, normally for a short period of time, as the Company depends on its clients to pay for monies and services provided and to perform on foreign exchange contracts. All material credit exposures require approval from the Moneycorp Group Credit Committee which is made up of individuals who are independent from the revenue generation functions of the business. Credit exposures are monitored daily against approved risk tolerance limits.

**Physical risk** - Physical risk arises from the Company's exposure to theft and misappropriation or damage to its physical assets, principally cash in tills and ATMs. The Company employs a physical risk audit team that develops appropriate policies and procedures to mitigate this risk and oversees the compliance with the policies. These arrangements are reviewed by third parties on a periodic basis. The Company also maintains appropriate levels of insurance to limit its exposure.

##### *Impact of COVID-19 on the Company's risk management*

The Company has experienced significant changes in risks since the global pandemic was declared, with business operations largely suspended during 2020 and 2021. Impacts of the pandemic have been taken into consideration at the balance sheet date in regards to recoverability of assets and provisions for future losses related to onerous contracts. The Director will continue to monitor any developments and respond accordingly.

#### **Director's duties under Section 172 of the Companies Act 2006**

The Director is mindful of their responsibilities under section 172 of the Companies Act 2006. Whilst performing their duties the Director has acted in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members whilst taking into consideration a range of stakeholders' views/issues. This includes consideration of the following points:

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

The intention of the Director is to behave responsibly and ensure that management operate the business in an appropriate manner, operating with a high standard of conduct. Until operations are ceased entirely, the Director will continue to uphold the Company's reputation through the relationships that have been formed with key stakeholders.

Important decisions that could have an impact on the stakeholders are discussed in an open and transparent manner. As an example, the decision to cease retail operations given they are no longer considered strategic to the Moneycorp Group, and the subsequent implementation of this, represented a significant decision which impacted various stakeholders, in particular employees, during the current and prior year.

The Director ensures communication to employees regarding any key decisions that impact the business are done regularly and openly. As noted above, the Company closed operations at its two London store during the year, with the exit process being exacerbated as a result of the COVID-19 pandemic. Employees were engaged throughout this process to ensure transparency and ensure support was provided during such uncertain times.

The Company's policy is not to discriminate against anyone, on any grounds. The Company is committed to employment policies which follow best practice, based on equal opportunities for all, irrespective of age, sex or sexual orientation, race, colour, disability or marital or civil partnership status.

The Company's values of reliability, integrity, collaboration, passion and transparency are embedded throughout the business.

# Moneycorp CFX Limited

## Strategic report

For the year ended 31 December 2021

### Streamlined energy and carbon reporting (SECR)

The Company's greenhouse gas (GHG) reporting is undertaken in line the new SECR requirements for large unquoted companies implemented per The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, as stipulated by the Companies Act 2006.

### Scope

Management assessed all fuel and electricity consumption activities occurring across all UK sites which contribute to overall energy use. It was determined that the following sources of emissions would be recorded, in line with SECR guidelines:

- Vehicle fuel consumption associated with the Company's UK operations, including the reimbursement to employees following claims for business mileage (scope 1); and
- Electricity consumption (scope 2).

### GHG emissions and energy consumption

The Company's scope 1 and 2 GHG emissions and total energy consumption associated with its UK operations for 2021 are outlined below.

The method used for calculating GHG emissions is in line with the GHG Protocol Corporate Accounting and Reporting Standard. Energy consumption figures in kWh were obtained from electricity invoices for each relevant site. Consumption through the use of fuel was obtained through spend data which was converted into mileage figures. Energy consumption and mileage figures have been converted into tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) and kWh respectively using the UK Government GHG Conversion Factors for Company Reporting 2021.

Total site area in m<sup>2</sup> occupied by the Company was used as the denominator to calculate the associated GHG emission intensity.

### GHG emissions

	2021		2020	
	GHG Emissions (tCO <sub>2</sub> e)	GHG Emissions Intensity (tCO <sub>2</sub> e / m <sup>2</sup> )	GHG Emissions (tCO <sub>2</sub> e)	GHG Emissions Intensity (tCO <sub>2</sub> e / m <sup>2</sup> )
Emissions source				
Scope 1 (direct)	1.5	1.7	2.9	2.2
Scope 2 (energy indirect)	33.4	38.3	60.8	45.9
<b>Total</b>	<b>34.9</b>	<b>40.0</b>	<b>63.7</b>	<b>48.1</b>

### Energy consumption

	2021		2020	
	Energy consumption (kWh)	Energy Intensity (kWh/ m <sup>2</sup> )	Energy consumption (kWh)	Energy Intensity (kWh/ m <sup>2</sup> )
Source of energy consumption				
Vehicle fuel	6,229	7.1	11,710	8.9
Electricity	157,303	180.4	260,621	197.0
<b>Total</b>	<b>163,532</b>	<b>187.5</b>	<b>272,331</b>	<b>205.9</b>

### Actions taken to improve energy efficiency

Opportunities to implement energy efficiency measures are limited due to most sites being leased as opposed to owned. The Company has however taken steps to reduce electricity emissions where possible. For example, energy efficiency actions were taken due to COVID-19 restrictions including closing down offices and retail units and switching off all appliances in order to conserve energy. The Company reopened operations at reduced capacity with some units remaining fully closed.

Additionally, the Company offers a cycle to work scheme and an electric car scheme to encourage employees to use environmentally friendly transport for their commute to the Company's offices.

## **Moneycorp CFX Limited**

### **Strategic report**

For the year ended 31 December 2021

#### **Litigation**

The Company is not involved in any legal proceedings or commercial disputes.

#### **Subsequent events**

##### ***Further exit of retail operations***

Subsequent to the balance sheet date the Company finalised the exit of its retail operations. This included the early surrender of its two London retail store leases, with £300k paid as settlement, effective in January and April 2022. On 4 April 2022 the Company closed its last remaining retail branches at Gatwick Airport. 45 employees were transferred under TUPE to the new Gatwick retail operator.

##### ***Russian invasion of Ukraine***

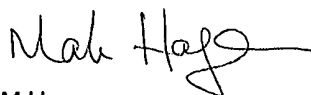
On 24 February 2022, Russian troops started a full-scale invasion of Ukraine. This on-going military action has led, and continues to lead, to devastating impacts on people, infrastructure and economies.

Moneycorp stands with the international community in its condemnation of the war and the impact it has had on the people of Ukraine.

The Company does not offer currency in either Russian Ruble (RUB) or Ukrainian Hryvnia (UAH) and therefore has no exposures to these currencies.

As at the date of signing, the war is not considered to have a direct material impact on the Company, however the Director will continue to monitor the situation closely and respond accordingly.

On behalf of the Board



M Horgan  
Director

9 September 2022



# Moneycorp CFX Limited

## Director's report

For the year ended 31 December 2021

The Director presents their report and the audited financial statements of Moneycorp CFX Limited (the 'Company') incorporated and domiciled in England and Wales, United Kingdom (UK) for the year ended 31 December 2021.

### Controlling interest

The holding company of the Moneycorp Group (see note 27 to the financial statements for the definition of the Moneycorp Group) is Moneta Topco Limited (100% effective holding), a company incorporated and registered in Jersey, Channel Islands. The ultimate controller of Moneta Topco Limited is Bridgepoint Europe IV (Nominees) Limited.

### Principal activities and outlook

The principal activity of the Company is the provision of retail cash services to individuals.

A review of the business and future developments, including subsequent events, along with the Company's risk management are described within the Strategic Report on pages 3-7.

### Directors

The Directors listed below have served the Company during the year and up to the date of signing the financial statements unless otherwise stated:

Executive Director	M Horgan	
Executive Director	A Harrison	(resigned 13 January 2022)

None of the directors hold any interest in the shares of the Company.

Further details about the Company can be found in the Company Information on page 1.

### Results and dividends

The statement of comprehensive income for the year ended 31 December 2021 is set out on page 14.

No interim dividends were declared during the current or prior year and the Director does not recommend the payment of a final dividend (2020: nil).

### Charities and donations

No donations were made for charitable or political purposes during the year (2020: nil).

### Going concern assessment

The Director assesses the Company's going concern for a period of at least 12 months from the signing of the annual report and consolidated financial statements. The assessment has been undertaken by considering the risk factors and events arising subsequent to year end, outlined in the Strategic Report, and the strategic decision to exit retail operations.

In making this assessment the Director considered:

- the intentions of the Moneycorp Group Board of Directors;
- whether there is sufficient liquidity and financing to support the Moneycorp Group's business (including the Company);
- whether post balance sheet trading is in line with expectations;
- the adequacy of insurance cover;
- the continued availability of financing facilities;
- the regulatory environment in which the Moneycorp Group operates; and
- the effectiveness of risk management policies.

# Moneycorp CFX Limited

## Director's report

For the year ended 31 December 2021

### Going concern assessment - continued

As detailed in the Strategic Report, the Directors of the wider Moneycorp Group have made the strategic decision to exit retail operations. Four of the five airport concession contracts were exited in the prior year, and both London stores ceased operations in the current year. Subsequent to the balance sheet date all trading operations have ceased and management intend to wind up the business by the end of 2022. As the wind up is strategically driven, rather than a forced liquidation, all liabilities will continue to be met as they fall due up in the intervening period.

Based on the current intentions and timeframe, the Director has concluded that is not appropriate to prepare the financial statements on a going concern basis. The financial statements have therefore been prepared on a basis that is consistent with UK adopted international accounting standards, amended to reflect the fact that the 'going concern' assumption is not appropriate. Refer to note 2 to the financial statement for further details regarding the basis of preparation.

### Statement of Director's responsibilities in respect of the financial statements

The Director is responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom (UK). Under company law the director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether they have been prepared in accordance with IFRSs as applied in compliance with the provisions of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As disclosed in note 2 to the financial statements, the Director does not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable 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.

### Director's confirmations

In the case of each director in office at the date the Director's 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 a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## **Moneycorp CFX Limited**

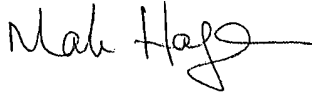
### **Director's report**

For the year ended 31 December 2021

#### **Independent auditors**

If an annual audit is required based on the status of the Company at the next balance sheet date, BDO LLP have indicated their willingness to continue in office, and a resolution for them to be reappointed will be proposed at the next meeting of the Board of Directors.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Mark Horgan', with a stylized flourish at the end.

Mark Horgan  
Director

9 September 2022

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONEYCROP CFX LIMITED**

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of the profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Moneycorp CFX Limited (the 'Company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

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.

### **Emphasis of matter – basis of preparation**

We draw attention to Note 2 to the financial statements which explains that the Company has ceased trading. The directors intend to wind up the company by the end of 2022 and therefore do not consider the company to be a going concern. Accordingly the financial statements have been prepared on a basis other than that of going concern as described in Note 2. Our opinion is not modified in respect of this matter.

### **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, 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONEYCORP CFX LIMITED**

## **Other Companies Act 2006 reporting**

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

- the information given in the 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 Strategic report and the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the 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, 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 Statement of Directors' Responsibilities, 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.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which the company operates, and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006, those resulting from being authorised by the Financial Conduct Authority to undertake regulated activities and relevant accounting standards.

We considered compliance with this framework through discussions with management and performed audit procedures on these areas as considered necessary. Our procedures involved enquiries with Management, review of the reporting to the directors with respect to compliance with laws and regulation, review of board meeting minutes and review of legal correspondence.

We focused on laws and regulations that could give rise to a material misstatement in the company financial statements.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONEYCORP CFX LIMITED

Our tests included, but were not limited to:


- We discussed among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for management bias in the client cash creditor. Furthermore, we communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;
- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- Testing of journal postings made during the year to identify potential management override of controls
- Review of minutes of board meetings throughout the period; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [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 opinions we have formed.

DocuSigned by:  
  
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Orla Reilly (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
London, UK

Date: 09 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Moneycorp CFX Limited**  
**Statement of comprehensive income**  
For the year ended 31 December 2021

	Note	2021 £000	2020 £000
<b>Continuing operations:</b>			
Revenue	7	4,220	11,648
Administrative expenses	8	(3,938)	(21,181)
Net foreign exchange (losses)/gains		(44)	105
<b>Operating profit/(loss)</b>		<b>238</b>	<b>(9,428)</b>
Finance costs	9	(14)	(32)
<b>Profit/(loss) before tax</b>		<b>224</b>	<b>(9,460)</b>
Tax credit	10	-	270
<b>Profit/(loss) and total comprehensive income/(expense) for the year attributable to the owners of the Company</b>		<b>224</b>	<b>(9,190)</b>

No other comprehensive income items were recorded during the year (2020: nil).

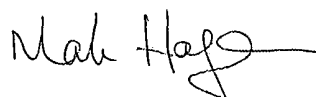
The above statement should be read in conjunction with the accompanying notes on pages 18 to 38.

# **Moneycorp CFX Limited** **Balance sheet**

As at 31 December 2021

	Note	2021 £000	2020 £000
<b>Non-current assets</b>			
Property, plant and equipment	11	-	-
Right of use assets	12	-	382
		<u>-</u>	<u>382</u>
<b>Current assets</b>			
Inventories	13	-	46
Cash and cash equivalents	15	65	837
Trade and other receivables	16	59,224	49,605
Prepayments		58	141
		<u>59,347</u>	<u>50,629</u>
<b>Total assets</b>		<u>59,347</u>	<u>51,011</u>
<b>Non-current liabilities</b>			
Lease liabilities	12	-	(134)
		<u>-</u>	<u>(134)</u>
<b>Current liabilities</b>			
Bank overdraft	17	(12,341)	-
Trade and other payables	18	(6,387)	(8,537)
Lease liabilities	12	(155)	(227)
Provisions	19	(1,913)	(3,786)
		<u>(20,796)</u>	<u>(12,550)</u>
<b>Total liabilities</b>		<u>(20,796)</u>	<u>(12,684)</u>
<b>Net assets</b>		<u>38,551</u>	<u>38,327</u>
<b>Equity</b>			
Share capital	21	4,044	4,044
Capital contribution	21	34,353	34,353
Retained earnings/(accumulated losses)		154	(70)
<b>Total equity</b>		<u>38,551</u>	<u>38,327</u>

The financial statements of Moneycorp CFX Limited (registered number 04780562) were approved by the Board of Directors and authorised for issue on 9 September 2022. The Director does not have the power to amend the financial statements after issue. They were signed by:



M Horgan  
Director

The above balance sheet should be read in conjunction with the accompanying notes on pages 18 to 38.



**Moneycorp CFX Limited**  
**Statement of changes in equity**  
For the year ended 31 December 2021

	Share capital £000	Capital contribution £000	(Accumulated losses)/ retained earnings £000	Total equity £000
<b>Balance at 1 January 2020</b>	4,044	34,353	9,120	47,517
Loss for the year	-	-	(9,190)	(9,190)
Total comprehensive expense	-	-	(9,190)	(9,190)
<b>Balance at 31 December 2020</b>	<b>4,044</b>	<b>34,353</b>	<b>(70)</b>	<b>38,327</b>
<b>Balance at 1 January 2021</b>	4,044	34,353	(70)	38,327
Profit for the year	-	-	224	224
Total comprehensive income	-	-	224	224
<b>Balance at 31 December 2021</b>	<b>4,044</b>	<b>34,353</b>	<b>154</b>	<b>38,551</b>

The above statement should be read in conjunction with the accompanying notes on pages 18 to 38.

**Moneycorp CFX Limited**  
**Statement of cash flows**  
For the year ended 31 December 2021

	Note	2021 £000	2020 £000
<b>Cash flows from operating activities</b>			
Net cash used in operations	22	(12,902)	(2,231)
Interest paid		-	(7)
<b>Net cash outflow from operating activities</b>		<u>(12,902)</u>	<u>(2,238)</u>
<b>Cash flows from investing activities</b>			
Proceeds from the disposal of property, plant and equipment		9	52
Purchases of property, plant and equipment		-	(4)
<b>Net cash inflow from investing activities</b>		<u>9</u>	<u>48</u>
<b>Cash flows from financing activities</b>			
Repayments of obligations under lease liabilities		<u>(220)</u>	<u>(222)</u>
<b>Net cash outflow from financing activities</b>		<u>(220)</u>	<u>(222)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(13,113)</u>	<u>(2,412)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>837</b>	<b>3,248</b>
Effects of exchange rate changes on cash and cash equivalents		-	1
<b>Net (debt)/cash and cash equivalents at the end of the year</b>	15	<u><b>(12,276)</b></u>	<u><b>837</b></u>

The above statement should be read in conjunction with the accompanying notes on pages 18 to 38.

# Moneycorp CFX Limited

## Notes to the financial statements

For the year ended 31 December 2021

### 1. GENERAL INFORMATION

Moneycorp CFX Limited (the 'Company') is a private company limited by shares, incorporated in England and Wales, United Kingdom (UK) under the Companies Act 2006. The address of the registered office is given in the Company Information on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 3 to 7.

### 2. BASIS OF PREPARATION

#### Compliance with IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs), as adopted by the UK.

#### Going concern assessment

The Director assesses the Company's going concern for a period of at least 12 months from the signing of the annual report and consolidated financial statements. The assessment has been undertaken by considering the risk factors and events arising subsequent to year end, outlined in the Strategic Report, and the strategic decision to exit retail operations.

In making this assessment the Director considered:

- the intentions of the Moneycorp Group Board of Directors;
- whether there is sufficient liquidity and financing to support the Moneycorp Group's business (including the Company);
- whether post balance sheet trading is in line with expectations;
- the adequacy of insurance cover;
- the continued availability of financing facilities;
- the regulatory environment in which the Moneycorp Group operates; and
- the effectiveness of risk management policies.

As detailed in the Strategic Report, the Directors of the wider Moneycorp Group (see note 27 for the definition of the Moneycorp Group) have made the strategic decision to exit retail operations. Four of the five airport concession contracts were exited in the prior year, and both London stores ceased operations in the current year. Subsequent to the balance sheet date all trading operations have ceased and the Director intends to wind up the business by the end of 2022. As the wind up is strategically driven, rather than a forced liquidation, all liabilities will continue to be met as they fall due up in the intervening period.

Based on the current intentions and timeframe, the Director has concluded that is not appropriate to prepare the financial statements on a going concern basis. There were no material effects as a result of the financial statements being prepared on a basis other than going concern.

#### Measurement base

The financial statements have been prepared on a basis that is consistent with IFRS but amended to reflect the fact that the 'going concern' assumption is not appropriate. The 'normal' recognition and measurement requirements of IFRS have been used as the starting point for accounting. The principal effects of the preparing the financial statements on a basis other than that of a going concern are as follows:

- the carrying amount of property, plant and equipment have been determined based on estimated realisable value through sale (see note 11 for further details);
- in estimating the net realisable value of inventories, in addition to prior experience, exit strategies discussed with suppliers were considered; and
- in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, provisions have been made for contractual commitments which have become onerous. Provisions have not been recognised for future operating losses.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**2. BASIS OF PREPARATION - CONTINUED**

**Measurement base - continued**

Further adjustments may be required in future reporting periods due to the inherent uncertainty in relation to the winding up of the retail operations. These adjustments may include assets being realised at amounts that differ from the amounts recorded on the balance sheet. In addition, the Company may have to provide for further liabilities that might arise.

**3. NEW AND REVISED STANDARDS ADOPTED IN THE CURRENT PERIOD**

On 31 January 2020 the UK exited the EU. For financial periods beginning on or after 1 January 2021, companies are to apply IFRSs as adopted by the United Kingdom (IFRSs UK). The Company's 2021 financial statements have therefore been prepared under IFRS UK. Historically these were prepared under EU-adopted IFRSs. Currently the UK-adopted IFRSs are identical to EU-adopted IFRSs.

The Company has adopted the following standards and amendments for the first time for the annual reporting year commencing 1 January 2021:

Standard	New standard / amendment:
- IAS 1 <i>Presentation of Financial Statements</i> and IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> - Definition of Material	Amendment
- IFRS 3 <i>Business Combinations</i> - Definition of a Business	Amendment
- IFRS 16 <i>Leases</i> - COVID-19 Related Rent Concessions	Amendment
- Revised Conceptual Framework for Financial Reporting	Amendment
- IFRS 7 <i>Financial Instruments: Disclosures</i> , IFRS 9 <i>Financial Instruments</i> and IAS39 <i>Financial Instruments Recognition and Measurement</i> - Interest Rate Benchmark Reform	Amendment

None of these developments have had a material effect on how the Company's statement of comprehensive income and balance sheet for the current or prior period have been prepared or presented.

**4. NEW AND REVISED STANDARDS NOT YET ADOPTED**

Certain new standards and interpretations have been published that are not mandatory for the 31 December 2021 reporting period and have not been early adopted by the Company.

Standard	New standard / amendment:	Effective for annual reporting periods beginning on or after:
- IFRS 17 <i>Insurance Contracts</i>	New	1 January 2023
- IAS 8 <i>Accounting policies, changes in accounting estimates and errors</i>	Amendment	1 January 2023
- IAS 1 <i>Presentation of Financial Statements</i>	Amendment	1 January 2023
- IAS 16 <i>Property, Plant and Equipment</i>	Amendment	1 January 2022
- IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	Amendment	1 January 2022
- IFRS 3 <i>Business Combinations</i>	Amendment	1 January 2022
- Annual Improvements to IFRS Standards 2018-2020: IFRS 9 <i>Financial Instruments</i> , IFRS 16 <i>Leases</i> , IFRS 1 <i>First time Adoption of IFRS</i> and IFRS 41 <i>Agriculture</i>	Amendment	1 January 2022

None of the above standards that are not yet effective are expected to have a material impact on the Company in the current or future reporting periods or on foreseeable future transactions.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**5. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted are set out below. These policies have been consistently applied to both years presented unless otherwise stated.

**Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in pounds sterling (GBP), which is the Company's functional and presentation currency, and have been rounded to the nearest thousand pounds, except when otherwise indicated.

**Foreign currencies**

Trading transactions denominated in currencies other than the Company's functional currency (foreign currencies) are translated at the exchange rate prevailing on the date of the transaction.

At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at year end exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates to the functional currency, are recognised in profit or loss.

**Property, plant and equipment**

Property, plant and equipment are carried at estimated realisable value through sale. Historically assets were recorded at cost less accumulated depreciation and any recognised impairment loss.

Depreciation of these assets commences when the assets were ready for their intended use.

Depreciation is recognised to write down the cost or valuation less the residual value of assets over their useful lives, using the straight-line method, on the following bases:

Fixtures and fittings	4-10 years
Computer equipment	4 years

Leasehold properties were depreciated over the period of the leases.

The estimated useful lives, residual values and depreciation methods were reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

**Impairment of property, plant and equipment**

At each balance sheet 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, assessed against the assets estimated realisable value.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**5. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Inventories**

Inventories include maps, phone cards and train tickets, which are stated at the lower of cost and net realisable value. Cost comprises those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**Financial instruments**

Financial instruments are classified as financial assets, financial liabilities or equity instruments, and are initially recognised when the Company becomes party to the contractual provisions of the instrument.

**Classification:**

The Company classifies its financial assets and liabilities in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

**Recognition and derecognition:**

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. All financial instruments are initially measured at fair value adjusted for transaction costs.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

The Company classifies its instruments based on the Company's business model for managing the financial assets and liabilities and the contractual terms of the cash flows. The Company's financial assets and liabilities are managed and their performance evaluated on a fair value basis.

**Financial assets at amortised cost**

**Cash and cash equivalents**

Cash and cash equivalents comprise of cash in bank, including short-term bank deposits with an original maturity of three months or less, and physical cash. The carrying amount of these assets is approximately equal to their fair value. Any overdrawn bank accounts are presented separately on the balance sheet.

**Trade and other receivables**

Trade and other receivables, primarily related party receivables, are recognised at original invoice or contract value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

**Impairment of financial assets at amortised cost**

At the balance sheet date the Company measures a loss allowance on financial assets other than those at fair value through profit or loss. The Company applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all financial assets at amortised cost regardless of if the risk has increased significantly since initial recognition or not. The amount of the loss allowance on financial assets is recognised in the statement of comprehensive income within administrative expenses.

For trade and other receivables, balances are written off against the net impairment loss where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a counterparty to engage in a repayment plan with the Company or the counterparty entering bankruptcy or financial reorganisation. Subsequent recoveries of amounts previously written off are credited against the same line item within administrative expenses.

Given the high credit quality and related party nature of the financial assets measured at amortised cost, the Company does not anticipate any material expected credit losses to be applicable for these assets.

# Moneycorp CFX Limited

## Notes to the financial statements (continued)

For the year ended 31 December 2021

### 5. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### Financial liabilities at amortised cost

##### **Trade and other payables**

Trade and other payables, including accruals, represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid as well as liabilities to other Moneycorp Group entities which are outstanding. Trade and other payables are presented as current liabilities. They are recognised initially at the original invoice or contract value, or expected contract value, being the best estimate of fair value and subsequently measured at amortised cost using the effective interest method.

##### **Provisions**

Provisions are recognised when it is probable a present obligation will lead to an outflow of economic resources from the business. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Where possible outflows from the business are considered improbable, that is considered a contingent liability and no liability is recognised on the balance sheet.

##### **Share capital**

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

##### **Revenue**

Retail income comprises the margin and commission earned on currencies as a result of the Company's operation of bureaux. Bureaux and ATMs at airports and London stores provide clients with the ability to buy foreign currency at a specified rate at that point in time either over the counter or through an ATM.

A fixed fee is charged to clients who purchase lower amounts of currency. Payment of the fixed fee is due when the client purchases the foreign currency. Purchase of foreign currency has only one performance obligation and income is recognised at the point in time when control of the foreign currency purchased is transferred to the client in line with IFRS 15 *Revenue from Contracts with Customers*.

Retail clients are also able to buy currency and load it onto a card rather than have physical currency. Similar to bureau and ATM revenue, margin revenue is earned and recognised when the client buys the currency at an airport to load onto a card. Revenue is also earned when the client uses the card for POS transactions, ATM withdrawals, cash outs and money transfers or incurs inactivity charges. Fees vary depending on the transaction and are either fixed or a percentage of the transaction amount. Revenue has one performance obligation and is recognised at the point in time when the transaction is made, generally when the client spends or withdraws.

Commission income is earned from providing VAT refund services, and from the sale of train tickets, at the bureaux within airport terminals. With regard to train tickets, the Company purchases these (and other minor items such as maps) in advance and holds them as part of inventory. Upon purchase by a client, payment is due immediately. Under IFRS 15, the Company continues to be treated as an agent as it does not hold the primary responsibility for fulfilling the promise to provide the train service to the client and as such revenue is presented on a net basis. The commission on both the VAT refund services and on the sale of tickets have only one performance obligation and are recognised at a point in time when the service or sale are provided.

##### **Leases**

The Company leases various offices, retail stores including at airports and ATMs. Lease terms are negotiated on an individual basis and can often contain a wide range of different terms and conditions. The Company assesses whether a contract is, or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Lease payments for these leases are recognised on a straight-line basis as an expense in the statement of comprehensive income.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**5. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Leases - continued**

For contracts where the supplier has substantive rights to substitute the asset throughout the period of use, these do not meet the definition of a contract that contains a lease under IFRS 16 *Leases* and as such payments are recognised as an expense in the statement of comprehensive income in the period in which they are incurred.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the following lease payments:

- fixed payments (including in-substance fixed payments) less any lease incentives;
- variable lease payment that are based on an index or a rate;
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option; and
- payments to be made under extension options when it is reasonably certain that the Company will extend the lease.

The lease liability is initially measured at the present value of the above lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Company, the lessee's incremental borrowing rate is used. This is determined to be the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term changes, or there is a change in the assessment of the likelihood of exercising a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a recalculated discount rate; or
- the lease payments change due to changes in an index or rate, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability adjusted for any lease payments made at or before the commencement date and any initial direct costs. They are depreciated over the lease term or useful life of the underlying asset, whichever is shorter. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount with the corresponding impairment loss being recognised immediately in the statement of comprehensive income. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

**Employee entitlements**

Employee entitlements for salaries and wages, bonuses, annual leave and other similar benefits are recognised in the statement of comprehensive income when they accrue to employees.

Liabilities for salaries and wages, including non-monetary benefits, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured using the amounts expected to be paid. The liabilities are presented as current employee related payables within trade and other payables on the balance sheet.

**Pensions defined contribution scheme**

The Company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Obligations for contributions to the defined contribution pension scheme are recognised as an expense in the statement of comprehensive income as they fall due. The liability for contributions owing by the Company to the fund at the balance sheet date is disclosed in note 20 and is included within trade and other payables on the balance sheet.



**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**5. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Government grants**

Grants received from governments are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate. As permitted under IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*, the Company presents government grants in the statement of comprehensive income as a deduction from the related expense within administrative expenses.

**Taxation**

The income tax expense or credit for the year is the tax payable on the current year's taxable profit/(loss), adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

**Current taxation**

The tax currently payable is based on taxable profit/(loss) for the year. Taxable profit/(loss) differs from net profit/(loss) as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 balance sheet date.

**Deferred taxation**

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability on the balance sheet differs from its tax base. Deferred tax assets are recognised only if it is probable that future taxable profit will be available to utilise those temporary differences and losses.

The amount of the asset or liability is determined using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset is realised or the deferred liability is settled.

**Related parties**

Transactions between the Moneycorp Group (which includes the Company) and its subsidiaries, meet the definition of a related party transaction.

Key management personnel, and persons connected with them, are also considered to be related parties.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly.

Transactions between the Company and entities who are not members of the Moneycorp Group, but are connected via common control, are also deemed to be related parties.

Related party transactions are disclosed in note 26.

**6. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 5, the Director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Critical judgements in applying the Company's accounting policies**

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Director has made in the process of applying the Company's accounting policies and that have the most significant impact on the amounts recognised in the financial statements.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**6. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY - CONTINUED**

***Provisions and contingent liabilities***

Provisions can arise from time to time in relation to ongoing litigation and contractual obligations.

Provisions are measured based on management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. Given the subjectivity and uncertainty of determining the probability and amount of losses, management take into account a number of factors including legal advice, the stage of the matter and historical evidence from similar situations, if any. Where the probability of outflow is considered to be remote, or probable but a reliable estimate cannot be made, a contingent liability is disclosed. Significant judgement is required to conclude on these estimates.

***Key sources of estimation uncertainty***

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, 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.

***Recoverable amount of property, plant and equipment***

Following the termination of the remaining retail contracts, the Company will cease operating its retail business. As a result, the Company's property, plant and equipment has been written down to its estimated realisable value through sale.

Management have assessed the likelihood of selling the existing property plant and equipment, as well as the value of potential proceeds, based on professional judgement and past experience, in order to estimate the fair value less cost to sell. Refer to note 11 for further details.

***Impairment of financial assets at amortised cost***

Under IFRS 9, a forward-looking impairment model, based on expected credit losses (ECLs), applies to financial assets held at amortised cost. ECLs are probability-weighted estimates of credit losses. In calculating this ECL allowance, management considers information about past events and current conditions as well as supportable information about future events and economic conditions. See note 23 for further details.

**7. REVENUE**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Retail revenue from contracts with customers:</b>		
Margin on retail bureau foreign exchange	2,781	7,027
ATM revenue	1,171	3,798
Commission	106	425
Fees and charges	153	296
Prepaid cards	9	102
<b>Total revenue</b>	<b>4,220</b>	<b>11,648</b>

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**8. ADMINISTRATIVE EXPENSES**

Included within administrative expenses are the following:

	2021 £000	2020 £000
Operating lease rentals	3,190	8,787
Staff costs (see note 8a)	838	3,559
IT support and maintenance	310	489
Irrecoverable VAT	269	1,282
Impairment of right-of-use assets (see note 12)	230	-
Property expenses	207	382
Depreciation of right-of-use assets (see note 12)	152	264
Management charges (see note 26)	131	265
Bank charges and transaction fees	113	302
Communications	99	144
Legal and professional fees	76	30
Cash stock facility costs paid to a related party	68	88
Insurance	50	179
Auditor's remuneration (see note 8b)	48	61
Commissions paid to a related party	29	88
Travel and entertainment	22	10
Other personnel costs	13	77
Depreciation of property, plant and equipment (see note 11)	-	317
Loss on disposal of property, plant and equipment	-	44
Impairment of property, plant and equipment (see note 11)	(9)	887
Advertising and marketing	(11)	38
Security costs	(21)	63
Other expenses	23	39
One-off costs	(1,889)	3,786
	<u>3,938</u>	<u>21,181</u>

Fees of £68k (2020: £88k) were paid to Moneycorp Bank Limited, other related party, for providing cash stock facilities during the year. Commissions of £29k (2020: £88k) were paid to Moneycorp (Hong Kong) Limited, other related party, in relation to the supply of physical bank notes.

One-off costs in 2020 of £3,786k relate to the provision recognised for the onerous Gatwick Airport contract, with the 2021 credit reflecting a partial release of the provision. This release partially offsets the operating lease rental expense related to the onerous contract of £3,190k. Refer to note 19 for further details.

**8a. Staff costs**

	2021 Number	2020 Number
<b>The average monthly number of employees (including executive directors) was:</b>		
Management and administration	4	4
Operations	58	252
	<u>62</u>	<u>256</u>
	<b>2021 £000</b>	<b>2020 £000</b>
<b>Their aggregate remuneration comprised:</b>		
Wages and salaries (see note 8c)	691	3,202
Social security costs	97	208
Other pension costs (see note 20)	50	149
	<u>838</u>	<u>3,559</u>

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**8. ADMINISTRATIVE EXPENSES - CONTINUED**

**8b. Auditor's remuneration**

The analysis of the auditor's remuneration is as follows:

	2021 £000	2020 £000
<b>Fees paid to the Company's auditors</b>		
Audit of the Company's annual financial statements	48	46
Audit of the Company's prior year financial statements incurred in the following year	-	15
<b>Total fees to the Company's auditors</b>	<u>48</u>	<u>61</u>

Fees paid in relation to the 2019 audit, including £15k paid in 2020 in relation to the prior year, were paid to PricewaterhouseCoopers who were the Company's auditor in 2019. Fees in relation to the current year and prior year engagements relate to BDO LLP who were appointed as the Company's auditors in 2020.

**8c. Government grants**

During the year the Company received government grants as part of the worldwide response to the COVID-19 pandemic from the UK Coronavirus Job Retention Scheme. In line with the accounting policy in note 5 these have been presented net within administrative expenses, specifically staff costs – wages and salaries. Total receipts in relation to the scheme during the year were £533k (2020: £2,032k).

There are no unfulfilled conditions associated with receipts outstanding at the balance sheet date, nor were there any other forms of government assistance received during the year.

Receivables owing from the UK government in relation to the above scheme at the balance sheet date have been recognised within other debtors in trade and other receivables (see note 16).

**9. FINANCE COSTS**

	2021 £000	2020 £000
Bank interest	-	7
Lease liability interest (see note 12)	14	25
	<u>14</u>	<u>32</u>

**10. TAX CREDIT**

	2021 £000	2020 £000
<b>Current tax:</b>		
Current year charge	-	-
Overprovision in respect of prior years	-	(270)
<b>Total tax credit for the year</b>	<u>-</u>	<u>(270)</u>

Corporation tax is calculated at 19.00% (2020: 19.00%) of the estimated assessable profit/(loss) for the year.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
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**10. TAX CREDIT - CONTINUED**

The total tax credit for the year can be reconciled to the profit/(loss) per the statement of comprehensive income as follows:

	2021 £000	2020 £000
Profit/(loss) before tax on operations	224	(9,460)
Tax at the UK corporation tax rate of 19.00% (2020: 19.00%)	43	(1,797)
Tax effect of expenses that are not deductible	-	248
Tax effect of Moneycorp Group relief (received)/given	(43)	1,549
Overprovision in respect of prior years	-	(270)
<b>Total tax (credit)/charge for the year</b>	<b>-</b>	<b>(270)</b>

Tax relief was (received from)/given to other entities within the Moneycorp Group.

On 3 March 2021, it was announced that from 1 April 2023, the main rate of corporation tax will increase to 25%. Any deferred tax balances as at 31 December 2021 have been considered with reference to the rate of 25% in accordance with IFRS.

**11. PROPERTY, PLANT AND EQUIPMENT**

	Fixtures and fittings £000	Computer equipment £000	Total £000
<b>At 31 December 2020</b>			
Cost	3,111	253	3,364
Accumulated depreciation and impairment	(1,859)	(209)	(2,068)
Carrying amount	1,252	44	1,296
<b>Year ended 31 December 2020</b>			
Opening carrying amount	1,252	44	1,296
Additions	4	-	4
Net disposals	(76)	(20)	(96)
Depreciation charge	(303)	(14)	(317)
Impairment	(877)	(10)	(887)
Closing carrying amount	-	-	-
<b>At 31 December 2020</b>			
Cost	2,237	155	2,392
Accumulated depreciation and impairment	(2,237)	(155)	(2,392)
Carrying amount	-	-	-
<b>Year ended 31 December 2021</b>			
Opening carrying amount	-	-	-
Additions	-	-	-
Net disposals	(9)	-	(9)
Depreciation charge	-	-	-
Impairment	9	-	9
Closing carrying amount	-	-	-
<b>At 31 December 2021</b>			
Cost	1,902	127	2,029
Accumulated depreciation and impairment	(1,902)	(127)	(2,029)
Carrying amount	-	-	-

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**11. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

As a result of the strategic decision to exit retail operations, property, plant and equipment at the balance sheet date has been measured at fair value less cost to sell (see note 2 for further details regarding the basis of preparation).

Property, plant and equipment relates primarily to fixtures and fittings at Gatwick Airport. At the balance sheet date management have considered the possibility that future operators could be given the option to purchase some fixtures and fittings from the Company, noting whether or not this option was offered and/or exercised was inherently uncertain. Based on experience from the exit of other airport locations during the prior year, any proceeds received were likely to be immaterial. As a result all property, plant and equipment has been measure at fair value less cost to sell, which is estimated at nil.

During the year the Company disposed of a number of assets, receiving proceeds of £9k. As a result the historical impairment was reversed by the same amount.

**12. LEASES**

**12a. Amount recognised on the balance sheet**

The balance sheet shows the following amounts relating to leases:

**Right-of-use assets**

	<b>Buildings £000</b>	<b>ATMs £000</b>	<b>Total £000</b>
<b>At 1 January 2020</b>			
Cost	755	352	1,107
Accumulated depreciation	(191)	(270)	(461)
Carrying amount	<u>564</u>	<u>82</u>	<u>646</u>
<b>Year ended 31 December 2020</b>			
Opening carrying amount	564	82	646
Depreciation charge	(191)	(73)	(264)
Net disposals	-	-	-
Closing carrying amount	<u>373</u>	<u>9</u>	<u>382</u>
<b>At 31 December 2020</b>			
Cost	755	176	931
Accumulated depreciation	(382)	(167)	(549)
Carrying amount	<u>373</u>	<u>9</u>	<u>382</u>
<b>Year ended 31 December 2021</b>			
Opening carrying amount	373	9	382
Depreciation charge	(143)	(9)	(152)
Impairment charge	(230)	-	(230)
Net disposals	-	-	-
Closing carrying amount	<u>-</u>	<u>-</u>	<u>-</u>
<b>At 31 December 2021</b>			
Cost	755	-	755
Accumulated depreciation and impairment	(755)	-	(755)
Carrying amount	<u>-</u>	<u>-</u>	<u>-</u>

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**12. LEASES - CONTINUED**

**12a. Amount recognised on the balance sheet - continued**

<b>Lease liabilities</b>	<b>2021 £000</b>	<b>2020 £000</b>
Non-current	-	134
Current	155	227
	<u>155</u>	<u>361</u>
<b>Movement in lease liabilities</b>		
Carrying amount at the beginning of the year	361	558
Interest accreted	14	25
Payments	(220)	(222)
<b>Carrying amount at the end of the year</b>	<u>155</u>	<u>361</u>

**12b. Amounts recognised in the statement of comprehensive income**

The statement of comprehensive income shows the following amounts relating to leases:

	<b>2021 £000</b>	<b>2020 £000</b>
<i>Recognised in administrative expenses (see note 8):</i>		
Depreciation charge on right-of-use assets	(152)	(264)
Expense relating to short-term leases	(29)	(43)
Expense relating to airport concession contracts	(3,161)	(8,744)
	<u>(3,342)</u>	<u>(9,051)</u>
<i>Recognised in finance costs (see note 9):</i>		
Lease liability interest expense	(14)	(25)
	<u>(14)</u>	<u>(25)</u>

**13. INVENTORIES**

	<b>2021 £000</b>	<b>2020 £000</b>
Maps, phone cards and train tickets	-	46
	<u>-</u>	<u>46</u>

No costs (2020: £419k) were included within cost of sales and presented net against revenue in the statement of comprehensive income in line with the accounting policy in note 5.

**14. FINANCIAL ASSETS AND LIABILITIES**

<b>Categories of financial instruments</b>	<b>2021 £000</b>	<b>2020 £000</b>
<b>Financial assets</b>		
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents	65	837
Trade and other receivables	59,224	49,605
	<u>59,289</u>	<u>50,442</u>
<b>Financial liabilities</b>		
<i>Financial liabilities at amortised cost</i>		
Bank overdraft	(12,341)	-
Trade and other payables	(6,387)	(8,537)
Lease liabilities	(155)	(361)
	<u>(18,883)</u>	<u>(8,898)</u>

The Director considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**15. CASH AND CASH EQUIVALENTS**

	2021 £000	2020 £000
Company cash and bank balances	65	837
	<u>65</u>	<u>837</u>

**Reconciliation to the statement of cash flows**

Bank overdrafts form an integral part of the Company's cash management. As such, bank overdrafts are included as a component of cash and cash equivalents for the purposes of the statement of cash flows. The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as following:

	2021 £000	2020 £000
Cash and cash equivalents (balance as above)	65	837
Bank overdraft (see note 17)	(12,341)	-
	<u>(12,276)</u>	<u>837</u>

**16. TRADE AND OTHER RECEIVABLES**

	2021 £000	2020 £000
<b>Amounts falling due within one year:</b>		
Trade receivables	363	121
Related party receivables	58,665	49,381
Bank note receivables from related parties	27	-
Other debtors	169	103
	<u>59,224</u>	<u>49,605</u>

The Company has bank note receivables and payables (see note 18) with related parties at the balance sheet date which are due from/to Moneycorp (Hong Kong) Limited. These are presented gross within the financial statements as they are not net settled.

Related party receivables comprise of intercompany balances with other related parties within the Moneycorp Group and are unsecured, non-interest bearing and repayable on demand with no fixed date of repayment.

The related party receivables primarily comprises the consideration owing from Moneycorp (Hong Kong) Limited as a result of the purchase of the Company's wholesale bank notes business that occurred in January 2019 for £21,705k.

**17. BANK OVERDRAFT**

	2021 £000	2020 £000
Overdrawn bank accounts	(12,341)	-
	<u>(12,341)</u>	<u>-</u>

The Company's bank accounts are part of a wider Moneycorp Group pooling arrangement which is managed by the Group Treasury department. These accounts are usually in funds, however they may become overdrawn temporarily due to timing differences when funds are transferred between accounts.



**Moneycorp CFX Limited**  
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**18. TRADE AND OTHER PAYABLES**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Amounts falling due within one year:</b>		
Trade payables	742	2,569
Related party payables	4,979	5,190
Bank note payables to related parties	228	-
Accruals	224	459
Employee related payables	138	162
Other payables	76	157
	<u>6,387</u>	<u>8,537</u>

For most suppliers, no interest is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Related party payables relate to balances owing to other related parties within the Moneycorp Group, and are unsecured, non-interest bearing and repayable on demand with no fixed date of repayment.

**19. PROVISIONS**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Onerous contracts	1,844	3,786
Make good dilapidation provision	32	-
Redundancy provision	37	-
	<u>1,913</u>	<u>3,786</u>

**19a. Information about individual provisions and significant estimates**

*Onerous contract*

In August 2017 the Company entered into a retail concession agreement with Gatwick Airport Limited to provide retail bureau and ATM foreign exchange services at the airport. In 2020 the Directors made the strategic decision to exit retail operations. Exacerbated as a result of the COVID-19 pandemic, actual and forecasted revenue from the operations are less than the unavoidable operating costs therefore management have deemed the contract to be onerous. A provision has been recognised which represents the excess of the unavoidable costs of meeting the obligations under the contract over the economic benefits expected to be received from it. Additionally the Company has recognised dilapidation and redundancy provisions associated with exiting the retail operations. The major assumptions underlying the measurement of the provision include the Company's estimate of future revenue and unavoidable cost to fulfil the contract to its earliest termination date.

**19b. Movements in provisions**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Carrying amount at the beginning of the year	3,786	-
Charged to profit or loss	242	3,786
Amounts used during the year	(2,115)	-
Carrying amount at the end of the year	<u>1,913</u>	<u>3,786</u>

**20. DEFINED CONTRIBUTION PENSION PLAN**

The Company has a defined contribution pension scheme that covers employees whose length of service is at least three months. Allocations to individual employees are based on the salary level of the employee and employer contribution. At 31 December 2021 the Company had a liability of approximately £7k (2020: £7k), included in trade and other payables in the accompanying balance sheet, related to the pension scheme. During the year the Company made no contributions to the scheme on behalf of key management personnel (2020: nil).

**Moneycorp CFX Limited**  
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**21. EQUITY**

**21a. Share capital**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Authorised:</b>		
4,044,001 (2020: 4,044,001) ordinary shares of £1 each	<u>4,044</u>	<u>4,044</u>
<b>Issued and fully paid:</b>		
4,044,001 (2020: 4,044,001) ordinary shares of £1 each	<u>4,044</u>	<u>4,044</u>

The Company has one class of ordinary shares which carry no rights to fixed income.

**21b. Capital contribution**

In 2017 TTT Moneycorp Limited, other related party, transferred to the Company its cash services operations. The consideration for the transfer was subsequently waived by TTT Moneycorp Limited. As a result a capital contribution of £34,353k arose, equal to the book value of the net assets transferred.

**22. NOTES TO THE STATEMENT OF CASH FLOWS**

**22a. Net cash used in operations**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Operating profit/(loss) before tax	238	(9,428)
<b>Adjustment for non-cash items:</b>		
Depreciation of property, plant and equipment	-	317
Depreciation of right-of-use assets	152	264
Loss on disposal of property, plant and equipment	-	44
Impairment of property, plant and equipment	(9)	887
Impairment of right-of-use assets	230	-
Net exchange differences	-	(1)
	<u>611</u>	<u>(7,917)</u>
<b>Movements in working capital:</b>		
Decrease in inventories	46	241
(Increase)/decrease in trade and other receivables	(9,619)	8,131
Decrease in prepayments	83	26
Decrease in trade and other payables	(2,150)	(6,498)
(Decrease)/increase in provisions	(1,873)	3,786
<b>Net cash used in operations</b>	<u>(12,902)</u>	<u>(2,231)</u>

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
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**22. NOTES TO THE STATEMENT OF CASH FLOWS - CONTINUED**

**22b. Net debt/cash reconciliation**

	Net cash and cash equivalents £000	Liabilities from financing activities Lease liabilities £000	Total £000
Opening balance at 1 January 2020	3,248	(558)	2,690
Cash flows	(2,412)	222	(2,190)
Foreign exchange adjustments	1	-	1
Other changes *	-	(25)	(25)
<b>Net cash as at 31 December 2020</b>	<b>837</b>	<b>(361)</b>	<b>476</b>
Opening balance at 1 January 2021	837	(361)	476
Cash flows	(13,113)	220	(12,893)
Foreign exchange adjustments	-	-	-
Other changes *	-	(14)	(14)
<b>Net debt/cash as at 31 December 2021</b>	<b>(12,276)</b>	<b>(155)</b>	<b>(12,431)</b>

\* Other changes include non-cash movements and interest accrued on liability balances.

**23. FINANCIAL RISK MANAGEMENT**

**Financial risk management objectives**

The main risks arising from the Company's financial instruments are market risk, credit risk and liquidity risk. The Board approves prudent treasury policies for managing each of the risks which are summarised below.

**23a. Market risk management**

The Company's principal business activity involves the provision of specialist foreign exchange stores and ATMs.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The sensitivity to market risk in relation to derivatives is therefore nil.

**Foreign currency risk management**

The Company maintains bank balances and cash at retail outlets in a number of currencies, and is therefore exposed to movements in foreign exchange rates on these balances.

The Company invoices and receives payments denominated in foreign currencies and is consequently exposures to exchange rate fluctuations arise.

The Company is not exposed to foreign currency risk as the bank balance is maintained in pounds sterling as are other balance sheet accounts.

Cash held at retail bureaux is held on consignment and remains the property of a Moneycorp Group related company, therefore the Company is not exposed to foreign currency risk on these balances. As at 31 December 2021 there was no foreign currency exposure in regards to cash and cash equivalents as all funds were held in GBP bank accounts (2020: nil).

**Interest rate risk management**

The Company paid interest on overdrawn bank balances and leases of £14k (2020: £32k) during the year. Interest on lease liabilities are fixed at the inception of the lease. Any interest payable on trade and other payables is not material as payments are made within agreed credit terms. The Company is therefore not exposed to any material interest rate risk.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
For the year ended 31 December 2021

**23. FINANCIAL RISK MANAGEMENT - CONTINUED**

**23a. Market risk management - continued**

***Other price risks***

The Company is not exposed to any other material price risks.

**23b. Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company does not generally provide credit to its clients but credit exposures can arise, normally for a short period of time, as the Company depends on its clients to pay for monies and services provided and to perform on foreign exchange contracts. All material credit exposures require approval by the Moneycorp Group Credit Committee comprising individuals independent of business revenue generation. Credit exposures are monitored regularly against approved risk limits.

***Credit risk for financial assets at amortised cost***

The Company has two types of financial assets that are subject to the expected credit loss (ECL) model:

- Cash and cash equivalents; and
- Trade and other receivables.

Cash and cash equivalents are held with a number of reputable credit institutions, therefore the ECL is immaterial.

For trade and other receivables an ECL has been calculated in line with the simplified approach outlined in the accounting policy in note 5, which uses a lifetime expected loss allowance. To measure the ECL, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles over a period of 24 months before the balance sheet date and the corresponding historical credit losses experienced over this period.

The historical loss rates are adjusted to reflect current and forward-looking information, which is both reasonable and supportable, taking into account macroeconomic factors affecting the ability of the clients to settle the receivables. After careful consideration it has been determined that no adjustments for forward looking considerations were required as at 31 December 2021 (2020: nil).

No losses have been realised in relation to ATM receivables over the prior 24 months as balances are due from reputable vendors. As such the loss allowance as at 31 December 2021 was determined as 0% for anything aged less than 30 days (2020: 0%).

All related party receivables are deemed fully recoverable.

No credit losses have been provided for, or realised, in either the current or prior financial years.

**23c. Liquidity risk management**

The Company is exposed to short term working capital requirements for client payments taken by credit or debit cards. These settlements are received by the Company on the following working day.

Liquidity facilities are provided by TTT Moneycorp Limited, other related party. Additionally there is a wider Moneycorp Group financing facility available, including a committed revolving facility to provide short term liquidity, which the Company has access to if required. Liquidity and cash is managed on a daily basis by the Moneycorp Group Treasury team. The Moneycorp Group seeks to manage this risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

***Liquidity risk tables***

The following tables detail the maturity profile of the Company's remaining contractual financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities at the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. For all financial liabilities the expected maturities are the same as the contractual maturities.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
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**23. FINANCIAL RISK MANAGEMENT - CONTINUED**

**23b. Credit risk management – continued**

	Within 1 year £000	1-2 years £000	2-5 years £000	5+ years £000	Total £000
<b>At 31 December 2021</b>					
Bank overdraft	12,341				12,341
Lease liabilities	158	-	-	-	158
Trade and other payables	6,387	-	-	-	6,387
	<u>18,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,886</u>
<b>At 31 December 2020</b>					
Bank overdraft	-	-	-	-	-
Lease liabilities	240	137	-	-	377
Trade and other payables	8,537	-	-	-	8,537
	<u>8,777</u>	<u>137</u>	<u>-</u>	<u>-</u>	<u>8,914</u>

**24. CAPITAL RISK MANAGEMENT**

Capital risk is the risk that the Company has an insufficient level or composition of capital to support the Company's business activities and associated risks during both normal economic environments and under stressed conditions.

As set out in the Strategic Report, the Directors of the wider Moneycorp Group have made the strategic decision to exit retail operations and wind up the Company. This will allow the Company to distribute any remaining proceeds from the wind up to the sole shareholder, Moneycorp Group Limited (previously known as Regents Acquisitions (Holdings) Limited), in due course. The Company's main focus is the preservation of capital and cash for distribution to the shareholder, whilst honouring the remainder of its contractual commitments and winding up its retail operations.

The capital structure of the Company consists of net debt/cash (as disclosed in note 22b) and equity comprising issued capital, reserves and retained earnings/accumulated losses as disclosed in the Company's statement of changes in equity.

The Company is not subject to any externally imposed capital requirements.

**25. COMMITMENTS AND CONTINGENT LIABILITIES**

**25a. Operating lease arrangements**

The Company leases office space as a lessee under non-cancellable operating leases. The Company assesses whether a contract is, or contains, a lease under IFRS 16 and if so subsequently recognises a right-of-use asset and a corresponding lease liability. See notes 5 and 12 for further details. The below represents the lease expense recognised during the year, and outstanding commitments for future minimum lease payments under non-cancellable operating leases, for leases which do not meet the criteria to be recognised on the balance sheet in line with IFRS 16, or are short term in nature.

	2021 £000	2020 £000
Lease payments under operating leases recognised as an expense in the year	<u>3,190</u>	<u>8,787</u>

**Moneycorp CFX Limited**  
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**25. COMMITMENTS AND CONTINGENT LIABILITIES**

**25a. Operating lease arrangements - continued**

At the balance sheet date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, outside of those already recognised on the balance sheet as a lease liability, which fall due as follows:

	2021 £000	2020 £000
Within one year	2,719	5,905
In the second to fifth years inclusive	-	10,951
After five years	-	-
	<u>2,719</u>	<u>16,856</u>

The above operating lease payments represent rentals payable by the Company for certain office properties and retail outlets, primarily at airport locations. For airport retail outlets, these are excluded from the lease liability on the basis that the supplier has substantive rights to substitute the asset throughout the period of use, i.e. the Company can get moved to different locations in the airport during the lease term at the discretion of the airport. The arrangements with retail outlets typically include a minimum payable amount, plus a variable element payable based on passenger numbers.

**25b. Other commitments and contingent liabilities**

A charge has been provided to a third party bank as a form of security in respect of loans borrowed by Moneta Bidco Limited, a Moneycorp Group other related company. The charge was initially executed in August 2014 and contains both fixed and floating charges. The charge has been extinguished subsequent to the balance sheet date as a result of the repayment of the borrowed funds by Moneta Bidco Limited, with new charges to be put in place in relation to the refinancing and drawdown of the new facility.

Other than the commitments above, the Company has no financial commitments or contingent liabilities outside of liabilities presented on the face of the balance sheet at the balance sheet date (2020: nil).

**26. RELATED PARTY BALANCES AND TRANSACTIONS**

**26a. Trading transactions**

Expenses paid to other entities within the Moneycorp Group are disclosed in note 8.

Details of related party management charges are disclosed below in note 26c.

Trade and other receivables and trade and other payables held with related parties, which are all other Moneycorp Group companies, at the balance sheet date are disclosed in notes 16 and 18 respectively.

**26b. Remuneration of key management personnel**

The Director of the Company is also a director of other related Moneycorp Group companies. Emoluments are paid to the Director by TTT Moneycorp Limited, other related party. No emoluments were paid during the year in respect of services to the Company (2020: nil).

No Director received compensation for loss of office during the year (2020: nil).

**26c. Management charge**

	2021 £000	2020 £000
Management charge	<u>131</u>	<u>265</u>

The above amounts reflect the amount recharged to the Company by Moneycorp Shared Services Limited, other related party.

**Moneycorp CFX Limited**  
**Notes to the financial statements (continued)**  
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**27. MONEYCORP GROUP HOLDING COMPANY AND CONTROLLING ENTITY**

At balance sheet date, the Director considers the Company's immediate parent and controlling party to be Moneycorp Group Limited (previously known as Regent Acquisitions (Holdings) Limited) (100% effective holding), incorporated and registered in Jersey, Channel Islands. Consolidated financial statements are produced for Moneycorp Group Limited. This group represents the smallest group that the Company is a subsidiary of, for which consolidated financial statements are produced.

The consolidated financial statements may be obtained from Floor 5, Zig Zag Building, 70 Victoria Street, SW1E 6SQ.

The holding company of the Moneycorp Group is Moneta Topco Limited (100% effective holding), a company incorporated and registered in Jersey, Channel Islands. This company also produces consolidated financial statements and this group (referred to within these financial statements as the 'Moneycorp Group') represents the largest group that the Company is a subsidiary of.

The ultimate controllers of Moneta Topco Limited at balance sheet date were Bridgepoint Europe IV (Nominees) Limited.

**28. EVENTS AFTER THE BALANCE SHEET DATE**

***Further exit of retail operations***

Subsequent to the balance sheet date the Company finalised the exit of its retail operations. This included the early surrender of its two London retail store leases, with £300k paid as settlement, effective in January and April 2022. On 4 April 2022 the Company closed its last remaining retail branches at Gatwick Airport. 45 employees were transferred under TUPE to the new Gatwick retail operator.

***Russian invasion of Ukraine***

On 24 February 2022, Russian troops started a full-scale invasion of Ukraine. This on-going military action has led, and continues to lead, to devastating impacts on people, infrastructure and economies.

Moneycorp stands with the international community in its condemnation of the war and the impact it has had on the people of Ukraine.

The Company does not offer currency in either Russian Ruble (RUB) or Ukrainian Hryvnia (UAH) and therefore has no exposures to these currencies.

As at the date of signing, the war is not considered to have a direct material impact on the Company, however the Director will continue to monitor the situation closely and respond accordingly.