

MONEYHUB FINANCIAL TECHNOLOGY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2022

MONEYHUB FINANCIAL TECHNOLOGY LIMITED

COMPANY INFORMATION

DIRECTORS	Mr R Gordon Mr D Scholey Mrs S Seaton Mr D Tonge Mr W Turner Mrs A Bennett (appointed 1 April 2021)
COMPANY SECRETARY	No company secretary
REGISTERED NUMBER	06909772
REGISTERED OFFICE	C/O Roxburgh Milkins Limited Merchants House North Wapping Road Bristol United Kingdom BS1 4RW
INDEPENDENT AUDITORS	Bishop Fleming Bath Limited Chartered Accountants & Statutory Auditors 10 Temple Back Bristol BS1 6FL

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 - 23

**DIRECTORS' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2022**

The directors present their report and the financial statements for the year ended 28 February 2022.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

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

DIRECTORS

The directors who served during the year were:

Mr R Gordon
Mr D Scholey
Mrs S Seaton
Mr D Tonge
Mr W Turner
Mrs A Bennett (appointed 1 April 2021)

PRINCIPAL RISKS AND UNCERTAINTIES

At Moneyhub, the health, safety and wellbeing of every employee, contractor and customer is our priority. Throughout the coronavirus (COVID-19) pandemic, we have taken practical steps, and implemented robust measures, to ensure the welfare of everyone. We have also supported our wider community by offering free use of the Moneyhub App to assist people in managing their personal finances at this difficult time.

In advance of the statutory lockdown implemented by the Government we implemented a full working from home initiative. All of the Moneyhub team are able to work effectively, remotely, and this has been part of our culture for some time so the impact of the Covid-19 restrictions on the day to day operations of the business was minimal. We have continued to recruit and on-board new team members during this period, delivering IT equipment direct to their home address. We have set up regular online social activities to keep everyone connected.

We continue to monitor Government and Public Health advice to ensure that we maintain a safe and compliant working environment.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2022**

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

AUDITORS

The auditors, Bishop Fleming Bath Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

Mr W Turner

Director

Date: 30 September 2022

C/O Roxburgh Milkins Limited
Merchants House North
Wapping Road
Bristol
United Kingdom
BS1 4RW

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONEYHUB FINANCIAL TECHNOLOGY LIMITED

OPINION

We have audited the financial statements of Moneyhub Financial Technology Limited (the 'Company') for the year ended 28 February 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 February 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONEYHUB FINANCIAL TECHNOLOGY LIMITED (CONTINUED)

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out on page 1, 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.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered the following:

- the nature of the industry and sector, control environment and business performance;
- the results of our enquiries of management and the directors about their own identification and assessment of the risk of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected, or alleged fraud; and
 - the internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, and incorrect recognition of revenue was identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Financial Reporting Standard 102 and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included health and safety regulations, employment legislation, data protection laws and regulations stipulated by the Financial Conduct Authority (FCA).

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation claims;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- reviewing Board meeting minutes;
- reviewing correspondence with the FCA for indications of non-compliance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONEYHUB FINANCIAL TECHNOLOGY LIMITED (CONTINUED)

journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also 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.

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 an 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 would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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.

Simon Morrison FCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

30 September 2022

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 28 FEBRUARY 2022**

	Note	2022 £	2021 £
Turnover	4	2,219,978	1,462,178
Cost of sales		(151,827)	(94,834)
Gross profit		2,068,151	1,367,344
Administrative expenses		(7,116,770)	(5,522,088)
Operating loss	5	(5,048,619)	(4,154,744)
Interest receivable and similar income		4	781
Interest payable and similar expenses		(3,037)	(27,761)
Loss before tax		(5,051,652)	(4,181,724)
Tax on loss	8	654,133	677,809
Loss for the financial year		<u>(4,397,519)</u>	<u>(3,503,915)</u>

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 10 to 23 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2022

	Note		2022 £	2021 £
Fixed assets				
Intangible assets	9		-	8,752
Tangible assets	10		106,042	77,883
Investments	11		75,704	75,704
			<u>181,746</u>	<u>162,339</u>
Current assets				
Debtors: amounts falling due within one year	12	3,406,341	2,635,866	
Current asset investments	13	1,577	1,577	
Cash at bank and in hand		2,670,840	294,125	
		<u>6,078,758</u>	<u>2,931,568</u>	
Creditors: amounts falling due within one year	14	(1,616,250)	(1,165,665)	
Net current assets			<u>4,462,508</u>	<u>1,765,903</u>
Total assets less current liabilities			<u>4,644,254</u>	<u>1,928,242</u>
Net assets			<u><u>4,644,254</u></u>	<u><u>1,928,242</u></u>
Capital and reserves				
Called up share capital	15		99	99
Share premium account			213,639	213,639
Other reserves			229,169	74,638
Profit and loss account			4,201,347	1,639,866
			<u><u>4,644,254</u></u>	<u><u>1,928,242</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr W Turner
Director

Date: 30 September 2022

The notes on pages 10 to 23 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2022**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 March 2021	99	213,639	74,638	1,639,866	1,928,242
Loss for the year	-	-	-	(4,397,519)	(4,397,519)
Capital contribution from parent company loan waiver	-	-	-	6,959,000	6,959,000
Capital contribution from parent- share options	-	-	154,531	-	154,531
At 28 February 2022	99	213,639	229,169	4,201,347	4,644,254

The notes on pages 10 to 23 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2021**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 March 2020	99	213,639	-	1,343,781	1,557,519
Loss for the year	-	-	-	(3,503,915)	(3,503,915)
Capital contribution from parent company loan waiver	-	-	-	3,800,000	3,800,000
Capital contribution from parent- share options	-	-	74,638	-	74,638
At 28 February 2021	99	213,639	74,638	1,639,866	1,928,242

The notes on pages 10 to 23 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

1. GENERAL INFORMATION

The principal activity of Moneyhub Financial Technology Ltd is that of connecting consumers with financial products and services through the innovative use of technology. During the year, the company undertook further development of its Moneyhub financial technology to better serve the needs of both its individual and financial advisory customers.

The company is a private company limited by shares and is incorporated and domiciled in England. The registered office address is C/O Roxburgh Milkins Limited Merchants House North, Wapping Road, Bristol, United Kingdom, BS1 4RW.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 GOING CONCERN

The Directors have considered the going concern status of the business in light of the results for the year, and are satisfied that the accounts are correctly completed on a going concern basis.

In arriving at this conclusion the Director's are satisfied that the business is functioning effectively whilst everyone is working from home. We have onboarded new employees, contractors and clients during the pandemic and have seen an upturn in the level of new enquiries. Existing customers also have an appetite to roll out current projects more quickly than previously planned. We are in the enviable position of offering a money management solution that is critical in the current economic environment. We therefore have no concerns around the viability of the business.

During the period the parent company raised an additional £7.1m of equity investment. Since the year end further funding via growth capital debt finance of £5m has been raised to continue the development of the Group's products and offerings.

After making enquiries, the directors have reasonable expectation that the company have access to adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2. ACCOUNTING POLICIES (continued)

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 REVENUE RECOGNITION

The company generates fees from the sale/licensing of financial technology to consumers and businesses.

Revenue from the sale of software licenses to consumers is recognised on a straight line basis over the period of the license. Fees arising from the provision of financial technology and associated services to businesses are recognised by reference to the delivery of separately identifiable components using the percentage of completion method. All revenue is measured at the fair value of the consideration received or receivable and is net of Value Added Tax.

2.6 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

2. ACCOUNTING POLICIES (continued)

2.7 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.8 PENSIONS

Defined contribution pension plan

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

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

2.9 SHARE BASED PAYMENTS

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

2. ACCOUNTING POLICIES (continued)

2.10 TAXATION

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

2.11 INTANGIBLE ASSETS

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

Research and development

Research expenditure is written off in the period in which it is incurred. Development expenditure incurred is capitalised as an intangible asset only when all the following criteria are met:

- there is a clearly defined project
- expenditure is separately identifiable
- the project is commercially viable
- the project is technically feasible
- project income is expected to outweigh cost
- resources are available to complete the project.

2.12 TANGIBLE FIXED ASSETS

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

2. ACCOUNTING POLICIES (continued)

2.12 TANGIBLE FIXED ASSETS (CONTINUED)

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	10%	straight line
Computer equipment	-	20%	straight line
Other fixed assets	-	10%	straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.14 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 CASH AND CASH EQUIVALENTS

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

2.16 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

2. ACCOUNTING POLICIES (continued)**2.17 FINANCIAL INSTRUMENTS**

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.18 OTHER RESERVES

Other reserves included within equity comprise of capital contributions from the parent company in relation to share based payment arrangements where equity instruments in the parent company are issued to employees of the subsidiary company. Capital contributions that arise from the waiver of intercompany loans from the parent company are recognised through the profit and loss account reserve.

3.**JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances.

We do not believe there to be any critical accounting judgements in the financial statements.

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Revenue recognition

The revenue recognised relates to the rendering of services regarding the development and implementation of software and apps. The recognition of this revenue is subject to a degree of estimation as the milestones and completion of projects is ultimately estimated until the customer agrees to sign off.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Rendering of services	2,219,978	1,462,178
	<u>2,219,978</u>	<u>1,462,178</u>

All turnover arose within the United Kingdom.

5. OPERATING LOSS

The operating loss is stated after charging:

	2022 £	2021 £
Research & development charged as an expense	685,893	702,292
Exchange differences	3,127	861
Other operating lease rentals	<u>185,657</u>	<u>191,814</u>

6. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>15,400</u>	<u>12,000</u>

7. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Employees	<u>50</u>	<u>39</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

8. TAXATION

	2022 £	2021 £
CORPORATION TAX		
Current tax on profits for the year	(654,133)	(677,809)
	<u>(654,133)</u>	<u>(677,809)</u>
TOTAL CURRENT TAX	<u>(654,133)</u>	<u>(677,809)</u>
DEFERRED TAX		
TOTAL DEFERRED TAX	<u>-</u>	<u>-</u>
TAXATION ON LOSS ON ORDINARY ACTIVITIES	<u>(654,133)</u>	<u>(677,809)</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is the same as (2021: the same as) the standard rate of corporation tax in the UK of 19% (2021: 19%) as set out below:

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(5,051,652)</u>	<u>(4,181,724)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(959,814)	(794,528)
EFFECTS OF:		
Fixed asset differences	(2,985)	163
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,806	8,229
Additional deduction for R&D expenditure	(484,470)	(439,006)
Surrender of tax losses for R&D tax credit refund	203,007	183,956
Remeasurement of deferred tax for changes in tax rates	(939,851)	(205,043)
Deferred tax not recognised	1,525,176	653,481
Other differences leading to an increase (decrease) in the tax charge	(2)	(85,061)
TOTAL TAX CHARGE FOR THE YEAR	<u>(654,133)</u>	<u>(677,809)</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that are expected to materially affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

9. INTANGIBLE ASSETS

	Computer software £
COST	
At 1 March 2021	769,278
	<hr/>
At 28 February 2022	769,278
	<hr/>
AMORTISATION	
At 1 March 2021	760,526
Charge for the year on owned assets	8,752
	<hr/>
At 28 February 2022	769,278
	<hr/>
NET BOOK VALUE	
At 28 February 2022	-
	<hr/>
At 28 February 2021	8,752
	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
COST OR VALUATION				
At 1 March 2021	25,694	96,118	26,286	148,098
Additions	-	58,182	-	58,182
At 28 February 2022	25,694	154,300	26,286	206,280
DEPRECIATION				
At 1 March 2021	14,584	39,203	16,428	70,215
Charge for the year on owned assets	8,716	18,678	2,629	30,023
At 28 February 2022	23,300	57,881	19,057	100,238
NET BOOK VALUE				
At 28 February 2022	2,394	96,419	7,229	106,042
At 28 February 2021	11,110	56,915	9,858	77,883

11. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Unlisted investments £	Total £
COST AND CARRYING VALUE			
At 1 March 2021	45,704	30,000	75,704
At 28 February 2022	45,704	30,000	75,704

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

SUBSIDIARY UNDERTAKING

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Moneyhub Financial Technology Europe	Moneyhub Financial Technology Europe, zagotavljanje določenih placilnih in podatkovnih storitev, d.o.o. Štišova ulica 13 1000 Ljubljana	Ordinary	100 %

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

12. DEBTORS

	2022 £	2021 £
Trade debtors	1,178,385	755,165
Amounts owed by group undertakings	1,076,785	1,062,707
Other debtors	706,457	623,900
Prepayments and accrued income	444,714	194,094
	<u>3,406,341</u>	<u>2,635,866</u>

13. CURRENT ASSET INVESTMENTS

	2022 £	2021 £
Listed investments	1,577	1,577
	<u>1,577</u>	<u>1,577</u>

Current asset investments comprise stocks, shares and investment funds held exclusively for the purpose of testing the personal financial management software the company is developing.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	280,217	250,726
Other taxation and social security	396,019	138,691
Other creditors	92,873	77,228
Accruals and deferred income	847,141	699,020
	<u>1,616,250</u>	<u>1,165,665</u>

15. SHARE CAPITAL

	2022 £	2021 £
ALLOTTED, CALLED UP AND FULLY PAID		
99 (2021: 99) Ordinary shares shares of £1.00 each	<u>99</u>	<u>99</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

16. SHARE BASED PAYMENTS

In the current year 1,113 share options in the parent company were issued, allowing the option holder to purchase shares at amounts between £250 to £253. 50% of the options vest after 2 years, with a further 25% vesting annually for 2 years.

	Weighted average exercise price (pence) 2022	Number 2022
Granted during the year	£252	1,113
OUTSTANDING AT THE END OF THE YEAR	£252	1,113

	2022
Option pricing model used	Binomial
Weighted average share price	£336
Exercise price	£252
Weighted average contractual life (days)	1460
Expected volatility	90%
Risk-free interest rate	0.5%
	2022
	£
Equity-settled schemes	154,531
	154,531

17. PENSION COMMITMENTS

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £234,482 (2021: £223,635).

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption within FRS102 not to disclose related party transactions with other group companies.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

19. CONTROLLING PARTY

The company's immediate and ultimate parent company is Hub Investment Holdings Limited, a company incorporated in the United Kingdom. The registered office of Hub Investment Holdings Limited is C/O Roxburgh Milkins Limited Merchants House North, Wapping Road, Bristol, United Kingdom, BS1 4RW.

The only group in which the results of the company are consolidated is that headed by Hub Investment Holdings Limited. Copies of these financial statements are available from its registered office.

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