

**MONEYHUB FINANCIAL TECHNOLOGY LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 28 FEBRUARY 2021**



**MONEYHUB FINANCIAL TECHNOLOGY LIMITED**  
**REGISTERED NUMBER:06909772**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 28 FEBRUARY 2021**

			<b>28 February 2021 £</b>	<b>29 February 2020 £</b>
	<b>Note</b>			
<b>Fixed assets</b>				
Intangible assets	5		8,752	125,551
Tangible assets	6		77,883	47,306
Investments	7		75,704	-
			<u>162,339</u>	<u>172,857</u>
<b>Current assets</b>				
Debtors: amounts falling due within one year	8	2,635,866	1,190,136	
Current asset investments	9	1,577	1,250	
Cash at bank and in hand	10	294,125	2,041,015	
		<u>2,931,568</u>	<u>3,232,401</u>	
Creditors: amounts falling due within one year	11	(1,165,665)	(575,407)	
<b>Net current assets</b>			<u>1,765,903</u>	<u>2,656,994</u>
<b>Total assets less current liabilities</b>			<u>1,928,242</u>	<u>2,829,851</u>
Creditors: amounts falling due after more than one year	12		-	(1,272,332)
<b>Net assets</b>			<u><u>1,928,242</u></u>	<u><u>1,557,519</u></u>
<b>Capital and reserves</b>				
Called up share capital	13		99	99
Share premium account			213,639	213,639
Other reserves			74,638	-
Profit and loss account			1,639,866	1,343,781
			<u><u>1,928,242</u></u>	<u><u>1,557,519</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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with 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:

**MONEYHUB FINANCIAL TECHNOLOGY LIMITED**  
**REGISTERED NUMBER:06909772**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 28 FEBRUARY 2021**

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**Mr W Turner**  
Director



Date: 29/11/2021

The notes on pages 3 to 12 form part of these financial statements.

## **MONEYHUB FINANCIAL TECHNOLOGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021**

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#### **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 Regus House, 1 Friary, Bristol, England, BS1 6EA.

#### **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 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 £5.6m of equity investment. Since the year end further equity investment of £7.1m 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.

## **MONEYHUB FINANCIAL TECHNOLOGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021**

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## **2. ACCOUNTING POLICIES (continued)**

### **2.3 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'.

### **2.4 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.

### **2.5 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.

### **2.6 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2021

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**2. ACCOUNTING POLICIES (continued)**

**2.7 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.

**2.8 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 Statement of financial position 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.

**2.9 INTANGIBLE ASSETS**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated 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.

## **MONEYHUB FINANCIAL TECHNOLOGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021**

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## **2. ACCOUNTING POLICIES (continued)**

### **2.10 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.

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:

Short-term leasehold property	-	10% straight line
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.

### **2.11 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 balance sheet 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 Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

### **2.12 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.

### **2.13 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.

### **2.14 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 2021

2. ACCOUNTING POLICIES (continued)

2.15 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.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements 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.

**Useful economic life of intangible assets**

The intangible asset held in the company's balance sheet relates to the capitalisation of development costs relating to Moneyhub. The annual amortisation charge for these assets is sensitive to the estimated useful economic life and residual value of the asset. We have assessed these in determining the current rate of amortisation, based on current market trends, future technological advancement and growth in the financial technology sector.

4. EMPLOYEES

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

	2021 No.	2020 No.
Employees	39	17



**MONEYHUB FINANCIAL TECHNOLOGY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

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**5. INTANGIBLE ASSETS**

	<b>Computer software £</b>
<b>COST</b>	
At 1 March 2020	<b>769,278</b>
At 28 February 2021	<b>769,278</b>
<b>AMORTISATION</b>	
At 1 March 2020	<b>643,727</b>
Charge for the year on owned assets	<b>116,799</b>
At 28 February 2021	<b>760,526</b>
<b>NET BOOK VALUE</b>	
At 28 February 2021	<b>8,752</b>
At 29 February 2020	<b>125,551</b>

**MONEYHUB FINANCIAL TECHNOLOGY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

**6. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>				
At 1 March 2020	19,194	72,199	52,761	144,154
Additions	6,500	48,062	-	54,562
Disposals	-	(24,143)	(26,475)	(50,618)
At 28 February 2021	25,694	96,118	26,286	148,098
<b>DEPRECIATION</b>				
At 1 March 2020	4,494	51,454	40,900	96,848
Charge for the year on owned assets	10,090	11,892	2,003	23,985
Disposals	-	(24,143)	(26,475)	(50,618)
At 28 February 2021	14,584	39,203	16,428	70,215
<b>NET BOOK VALUE</b>				
At 28 February 2021	11,110	56,915	9,858	77,883
At 29 February 2020	14,700	20,745	11,861	47,306

**7. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £	Unlisted investments £	Total £
<b>COST OR VALUATION</b>			
Additions	45,704	30,000	75,704
At 28 February 2021	45,704	30,000	75,704

# MONEYHUB FINANCIAL TECHNOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

### 8. DEBTORS

	28 February 2021 £	29 February 2020 £
Trade debtors	755,165	148,117
Amounts owed by group undertakings	1,062,707	347,724
Other debtors	623,900	575,993
Prepayments and accrued income	194,094	118,302
	<u>2,635,866</u>	<u>1,190,136</u>

### 9. CURRENT ASSET INVESTMENTS

	28 February 2021 £	29 February 2020 £
Listed investments	1,577	1,250
	<u>1,577</u>	<u>1,250</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.

### 10. CASH AND CASH EQUIVALENTS

	28 February 2021 £	29 February 2020 £
Cash at bank and in hand	294,125	2,041,015
	<u>294,125</u>	<u>2,041,015</u>

### 11. Creditors: amounts falling due within one year

	28 February 2021 £	29 February 2020 £
Trade creditors	250,726	347,667
Other taxation and social security	138,691	36,321
Other creditors	77,228	13,425
Accruals and deferred income	699,020	177,994
	<u>1,165,665</u>	<u>575,407</u>

**MONEYHUB FINANCIAL TECHNOLOGY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

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**12. Creditors: amounts falling due after more than one year**

	<b>28 February 2021</b>	<b>29 February 2020</b>
	<b>£</b>	<b>£</b>
Other loans	-	1,272,332
	<u>-</u>	<u>1,272,332</u>
	<u>-</u>	<u>1,272,332</u>

Prior year other loans consists of amounts issued by the previous parent following the management buy out, and are unsecured, interest bearing at LIBOR + 2%, subordinated loans and have a repayment date of five years from the date of the loan agreement.

**13. SHARE CAPITAL**

	<b>28 February 2021</b>	<b>29 February 2020</b>
	<b>£</b>	<b>£</b>
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
99 (2020: 99) Ordinary shares shares of £1.00 each	<b>99</b>	<b>99</b>
	<u>99</u>	<u>99</u>

## MONEYHUB FINANCIAL TECHNOLOGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

#### 14. SHARE BASED PAYMENTS

In the current year 1,436 share options in the parent company were issued, allowing the option holder to purchase shares at £250. 50% of the options vest after 2 years, with a further 25% vesting annually for 2 years.

	28 February Number 2021
Granted during the year	1,436
<b>OUTSTANDING AT THE END OF THE YEAR</b>	<b>1,436</b>

	28 February 2021
Option pricing model used	Binomial
Weighted average share price	241.75
Exercise price	250.00
Weighted average contractual life (days)	1095
Expected volatility	90%
Risk-free interest rate	0.50%

	28 February 2021 £
Equity-settled schemes	74,638
	<b>74,638</b>

#### 15. PENSION COMMITMENTS

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £223,635 (2020: £76,294).

#### 16. CONTROLLING PARTY

The company is a wholly owned subsidiary of Hub Investment Holdings Limited, a company incorporated in the United Kingdom. The registered office of Hub Investment Holdings Limited is Regas House 1 Friar, Temple Quay, Bristol, BS1 6EA.

#### 17. AUDITORS' INFORMATION

The auditors' report on the financial statements for the year ended 28 February 2021 was unqualified.

The audit report was signed on 29/11/2021 by Simon Morrison FCA (Senior statutory auditor) on behalf of Bishop Fleming Bath Limited.