REGISTERED NUMBER: 07310059

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023

FOR

MONEYPLUS GROUP LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 28th February 2023

COMPANY INFORMATION
for the Year Ended 28th February 2023

DIRECTORS:	Mr C Davis Mr M Hutton Mr J Mills Mr D Watt Mr M Shaw
REGISTERED OFFICE:	Riverside New Bailey Street Manchester M3 5FS
REGISTERED NUMBER:	07310059
AUDITORS:	Xeinadin Audit Limited 100 Barbirolli Square Manchester M2 3BD

STRATEGIC REPORT

for the Year Ended 28th February 2023

The directors present their strategic report for the year ended 28th February 2023.

BUSINESS REVIEW, STRATEGY & OUTLOOK

Turnover for the year decreased to £7.3m as compared to £7.6m for the prior year. Despite the year-on-year drop in turnover, turnover of the core debt advice revenue stream increased by 4% on prior year. The company's loss increased to £3.6m driven by various factors including the cessation of trade with a group company - MoneyPlus Legal and an increase in investment in new customers by £1.7m on the prior year. The up-front investment in new customers has a negative impact on short-term profitability but creates a robust asset of recurring revenues that will drive increased EBITDA over future years. The loss for the year also includes non-cash costs of depreciation and amortisation totalling £2.52m relating to various historic acquisitions of debt advice books and businesses that continue to deliver monthly recurring revenues.

Following a review, the Directors have determined that shared costs and introducer fees should be apportioned to MoneyPlus Insolvency Limited. The impact is to restate the comparative, and to reduce the loss by £1.04m.

Management believe that a key indicator of future trading performance is the size of the consumer base after taking into account the attrition rate (see more below under principal risks). Given the agility of the firm, it is well placed to reflect its staff and operating costs in comparison to the size of the consumer base.

During the year the company cemented its position as one of the largest providers of debt advice in the UK, growing its customer base by 10%, whilst at the same time seeing attrition rates and complaints remain at historic low levels. During the year the company's investment yielded the equivalent of one third of its opening book size in new debt advice customer plans with 8% of the opening book successfully completing their plan and becoming debt free.

Advising an ever-growing number of new customers, results in the value of our back book increasing. Across the year under review our asset value increased by £6.9m which underpins future collections net of costs to manage the customer book. As the company has been built on a robust platform of customers who require professional debt advice the growth this year demonstrates that we are well on the way to achieving our aim of being the number one trusted provider of debt advice in the UK. In order to achieve our aspirations, we are assisted by our investors and colleagues, as well as OakNorth Bank, who during the year under review provided a £6.5m loan to the group, which will enable the firm to invest in serving an ever-increasing number of new customers.

The Directors consider the key performance indicators of the group to be consumer book size, attrition and operating profitability.

PRINCIPAL RISKS AND UNCERTAINTIES

The board of directors has identified that the key risks facing the Company are 1) Regulatory, 2) Banking facilities, 3) Attrition rates of consumers and 4) Marketplace.

REGULATORY

During the Pandemic the company engaged regularly with its regulator The Financial Conduct Authority (FCA). These positive discussions then continued into dialogue surrounding the costs of living crisis faced by the average consumer. In this regard the Group has been delighted to share its market intelligence and experience which has been welcomed by the regulator. The Group also continues to submit to the FCA and other regulators ideas and proposals for enhanced regulatory restrictions which will lead to better outcomes for consumers.

BANKING FACILITIES

The Group continues to rely on support from Intriva Capital and OakNorth Bank and post the period under review the Group saw additional support from OakNorth Bank, by way of a £10m Revolving Credit Facility.

STRATEGIC REPORT
for the Year Ended 28th February 2023

ATTRITION RATES OF CONSUMERS
As part of the ongoing performance of the company a key consideration is the monthly attrition rate of the consumer base. The company has and continues to demonstrate low levels of consumer attrition which management believe is reflective of positive consumer outcomes. These rates are continuously reviewed by not only the company but also external auditors commissioned on behalf of its finance providers.

MARKETPLACE
The UK having seen and witnessed the COVID - 19 Pandemic, consumers are now having to deal with the economic aftereffects of the same, coupled with the war in Ukraine, leading to the 'Cost of Living Crisis' and 40 year highs in inflation. These complicated issues translate into very simple but severe implications for the average consumer and place a huge number of consumers under severe financial pressure. There is an expectation that the macroeconomic environment will suffer a slow recovery from these impacts and MoneyPlus expects to position itself as the number one provider of debt advice to the impacted consumers across the economic cycle.

ON BEHALF OF THE BOARD:

Mr M Hutton - Director

30th November 2023

REPORT OF THE DIRECTORS
for the Year Ended 28th February 2023

The directors present their report with the financial statements of the company for the year ended 28th February 2023.

PRINCIPAL ACTIVITY
The principal activity of the Company in the year under review was that of the provision of financial and legal advice, predominantly to over indebted consumers.

DIVIDENDS
No dividends will be distributed for the year ended 28 February 2023 (2022: £Nil).

DIRECTORS
The directors shown below have held office during the whole of the period from 1st March 2022 to the date of this report.

Mr C Davis
Mr M Hutton
Mr J Mills

Other changes in directors holding office are as follows:

Mr D Watt - appointed 28th November 2022

Mr M Shaw was appointed as a director after 28th February 2023 but prior to the date of this report.

EMPLOYMENT AND EMPLOYMENT POLICIES
The company has implemented detailed human resources policies and acts as an equal opportunities employer. It currently holds Investors in People gold status and is accredited by the National Skills Academy.

Communication with all employees continues through formal training and presentations, the intranet and regular staff meetings and events.

DIRECTORS' INDEMNITIES
The Company has made qualifying third party indemnity provisions for the benefit of its Directors, which were made during the year and remain in force at the date of this report.

DISCLOSURE IN THE STRATEGIC REPORT
The company has chosen, in accordance with Section 414 C(ii) of the Companies Act 2006, and as noted in this Directors' Report, to include certain matters in its Strategic Report that would otherwise be required to disclose in this Directors' Report, specifically in respect of the review of the business, future developments and key risks in the business.

REPORT OF THE DIRECTORS
for the Year Ended 28th February 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

In accordance with section 485 of the Companies Act 2006, Xeinadin Audit Limited will be proposed for reappointment.

ON BEHALF OF THE BOARD:

Mr M Hutton - Director

30th November 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MONEYPLUS GROUP LIMITED

Opinion
We have audited the financial statements of Moneyplus Group Limited (the 'company') for the year ended 28th February 2023 which comprise the Profit and Loss Account, Statement of Financial Position, Statement of Changes in Equity 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 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 28th February 2023 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have 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 Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where 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 set out on page five, 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 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities
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 including the company's remuneration policies, key drivers for directors remuneration, bonus levels and performance targets;
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have 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 noncompliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate 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 any 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 identified the greatest potential for fraud in the following areas: timing of recognition of income and going concern. 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 UK Companies Act, environmental laws, employment law, health and safety, pensions legislation and 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.

Audit response to risks identified
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 and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of 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 including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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 Report of the Auditors.

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 a Report of the Auditors 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.

Richard Lloyd (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited
100 Barbirolli Square
Manchester
M2 3BD

30th November 2023

PROFIT AND LOSS ACCOUNT
for the Year Ended 28th February 2023

	Notes	2023 £'000	2022 £'000
TURNOVER	4	**7,261**	7,572
Cost of sales		**(2,189)**	(425)
GROSS PROFIT		**5,072**	7,147
Administrative expenses		**(6,858)**	(7,115)
		(1,786)	32
Other operating income	5	**1**	17
OPERATING (LOSS)/PROFIT	7	**(1,785)**	49
Impairment charge	8	**(1,248)**	-
		(3,033)	49
Interest payable and similar expenses	9	**(520)**	(187)
LOSS BEFORE TAXATION		**(3,553)**	(138)
Tax on loss	10	**-**	-
LOSS FOR THE FINANCIAL YEAR		**(3,553)**	(138)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(3,553)**	(138)

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
28th February 2023

	Notes	2023 £'000	2022 £'000
FIXED ASSETS			
Intangible assets	12	**6,730**	8,744
Tangible assets	13	**215**	307
Investments	14	**-**	1,248
		6,945	10,299
CURRENT ASSETS			
Debtors	15	**6,869**	6,265
Cash at bank		**97**	40
		6,966	6,305
CREDITORS			
Amounts falling due within one year	16	**(9,632)**	(5,822)
NET CURRENT (LIABILITIES)/ASSETS		**(2,666)**	483
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,279**	10,782
CREDITORS			
Amounts falling due after more than one year	17	**-**	(2,950)
NET ASSETS		**4,279**	7,832
CAPITAL AND RESERVES			
Called up share capital	21	**9**	9
Retained earnings		**4,270**	7,823
SHAREHOLDERS' FUNDS		**4,279**	7,832

The financial statements were approved by the Board of Directors and authorised for issue on 30th November 2023 and were signed on its behalf by:

Mr M Hutton - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

for the Year Ended 28th February 2023

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1st March 2021	9	7,961	7,970
Deficit for the year	-	(138)	(138)
Total comprehensive loss	-	(138)	(138)
Balance at 28th February 2022	9	7,823	7,832
Deficit for the year	-	(3,553)	(3,553)
Total comprehensive loss	-	(3,553)	(3,553)
Balance at 28th February 2023	9	4,270	4,279

The notes form part of these financial statements

1. **STATUTORY INFORMATION**

Moneyplus Group Limited is a private company limited by share capital, incorporated in England & Wales, registration number 07310059. The address of the principal place of business and the registered office is Riverside, New Bailey Street, Manchester, M3 5FS.

2. **ACCOUNTING POLICIES**

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. For the purpose of aligning with the company/group's internal financial reporting period end, the profit and loss account is inclusive of turnover and expenditure which has been accrued in relation to the period up to 10 March 2023. Similarly, turnover and expenditure for the period prior to 11 March 2022 has been excluded. Due to a high proportion of customer payments being received around calendar month end, this treatment ensures any fluctuations in fee income which may arise due to how business processing days may fall around calendar month end are eliminated. This treatment allows management to evaluate performance in a more meaningful way and is consistent with reporting in the prior year.

The financial statements are prepared in sterling, which is the functional currency of the group.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Group exemption
The financial statements contain information about Moneyplus Group Limited as an individual company and do not contain financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statement as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Moneyplus Holdings Limited, whose registered office is Riverside, New Bailey Street, Manchester, M3 5FS.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Going concern
Assurances have been received from other group entities that the balances owed by the company will not be demanded until adequate alternative funds are in place. Accordingly the directors consider it reasonable to prepare these financial statements on a going concern basis.

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2. **ACCOUNTING POLICIES - continued**

Turnover
Turnover represents amounts in respect of the provision of financial solutions to individuals experiencing personal debt problems and is recognised as set out below. Turnover is exclusive of Value Added Tax where applicable.

Debt management - Turnover is recognised on a cash received basis reflecting the proportion of work performed. Initial fees are recognised when a customer makes their first contribution to the plan. Subsequent fees are recognised on receipt of funds into the plan, which reflects when the service is provided.

Intangible assets
Intangible assets are represented by:

- Acquired customer contracts which represent the rights to ongoing management fees income from clients within back books acquired by the Company and is amortised over a period that reflects the attrition experience of the back book in line with the Company's policy; and
- Deferred development expenditure which is capitalised where there is a clearly defined project, related expenditure is separately identifiable and it has been assessed for technical and commercial viability.

Amortisation is calculated to write off the cost of the intangible assets over their useful life as follows:

Contracts	-	10% straight line
Development costs	-	10% to 25% straight line

The carrying amounts of the company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated and an impairment provision made if appropriate.

Tangible fixed assets
Tangible fixed assets are stated at historical cost less accumulated depreciation and any provisions for impairment.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	-	25% on cost
Plant and machinery	-	25% on cost
Fixtures and fittings	-	25% on cost
Computer equipment	-	25% on cost

The carrying amounts of the company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated and an impairment provision made if appropriate.

Investments in subsidiaries
Investments in subsidiary undertakings, associates and joint ventures are stated at cost less provision for impairment.

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2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leasing commitments

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Trade and other debtors

Trade and other debtors are recognised and carried at their nominal value and are reduced by appropriate allowances for irrecoverable amounts. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when probability of recovery is assessed as being remote.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

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3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies above, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 period.

Amortisation
The company accounts for amortisation in relation to the acquisition of debt management plan backbooks in accordance with FRS 102. The amortisation and expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets based on historical experience of the length of a typical plan. The amortisation charge in the year is £2,389k (2022 - £2,824k).

Depreciation
The company accounts for depreciation in accordance with FRS 102. The depreciation and expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets which are regularly reviewed to reflect the changing environment. The depreciation charged in the year is £129k (2022 - £162k).

Impairment on investments
Investments in subsidiary undertakings are reviewed at each period end for recoverability and valuation to assess whether an impairment charge is necessary; impairment losses of £1,248k (2022 - £Nil) have been provided for at the reporting date in respect of investments that are not expected to return their book value.

4. **TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2023	2022
	£'000	£'000
Debt management	**7,261**	7,572
	7,261	7,572

An analysis of turnover by geographical market is given below:

	2023	2022
	£'000	£'000
United Kingdom	**7,261**	7,572
	7,261	7,572

continued...

5. OTHER OPERATING INCOME

	2023	2022
	£'000	£'000
Rents received	1	17

6. EMPLOYEES AND DIRECTORS

	2023	2022
	£'000	£'000
Wages and salaries	2,317	2,215
Social security costs	317	354
Other pension costs	52	59
	2,686	2,628

The average number of employees during the year was as follows:

	2023	2022
Administration	97	106

	2023	2022
	£	£
Directors' remuneration	-	-

The emoluments of the directors are paid by Moneyplus Group Limited, which are recharged to the ultimate parent company. They are directors of both the parent company and a number of fellow subsidiaries. The total emoluments are included in the aggregate of directors emoluments disclosed in the financial statements of the ultimate parent company; Moneyplus Holdings Limited.

7. OPERATING (LOSS)/PROFIT

The operating loss (2022 - operating profit) is stated after charging:

	2023	2022
	£'000	£'000
Hire of plant and machinery	11	14
Other operating leases	728	697
Depreciation - owned assets	129	162
Contracts amortisation	1,962	2,225
Development costs amortisation	426	599
Auditors' remuneration	40	36

8. EXCEPTIONAL ITEMS

	2023	2022
	£'000	£'000
Impairment charge	(1,248)	-

In the year, exceptional items comprise the impairment of Moneyplus Legal Limited investment.

continued...

9. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2023	2022
	£'000	£'000
Bank loan interest	**520**	187

10. **TAX ON PROFIT ON ORDINARY ACTIVITIES**

Analysis of the tax charge
No liability to UK corporation tax arose for the year ended 28th February 2023 nor for the year ended 28th February 2022.

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2023	2022
	£'000	£'000
Loss before tax	**(3,553)**	(138)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	**(675)**	(26)
Effects of:		
Expenses not deductible for tax purposes	**243**	5
Depreciation in excess of capital allowances	**386**	447
Group relief surrendered / (claimed)	**-**	(426)
Losses not utilised	**46**	-
Total tax charge	**-**	-

At Budget 2021 the government announced that from 1 April 2023 the rate of corporation tax will be 25% for companies with annual profits over £250,000. For companies with annual profits below £50,000 the rate will remain at 19%. Marginal relief provisions will also be introduced so that, where a company's profits fall between the lower (£50,000) and upper (£250,000) limits, it will be able to claim an amount of marginal relief that bridges the gap between the lower and upper limits providing a gradual increase in the corporation tax rate.

11. **RESTATEMENT OF COMPARATIVE FIGURES**

Following a review, the directors have determined that shared costs and introducer fees should be apportioned to MoneyPlus Insolvency Limited.

The impact of this is on the financial statements is as follows:
- Reduced cost of sales by £667k.
- Reduced administrative expenditure by £373k.
- Increased inter-company balance with MoneyPlus Insolvency by £1,040k.

12. **INTANGIBLE FIXED ASSETS**

	Contracts £'000	Development costs £'000	Totals £'000
COST			
At 1st March 2022	34,273	2,508	36,781
Additions	110	264	374
At 28th February 2023	34,383	2,772	37,155
AMORTISATION			
At 1st March 2022	26,756	1,281	28,037
Amortisation for year	1,962	426	2,388
At 28th February 2023	28,718	1,707	30,425
NET BOOK VALUE			
At 28th February 2023	5,665	1,065	6,730
At 28th February 2022	7,517	1,227	8,744

13. **TANGIBLE FIXED ASSETS**

	Short leasehold £'000	Plant and machinery £'000	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST					
At 1st March 2022	566	41	441	1,514	2,562
Additions	-	-	1	36	37
At 28th February 2023	566	41	442	1,550	2,599
DEPRECIATION					
At 1st March 2022	528	41	431	1,255	2,255
Charge for year	17	-	5	107	129
At 28th February 2023	545	41	436	1,362	2,384
NET BOOK VALUE					
At 28th February 2023	21	-	6	188	215
At 28th February 2022	38	-	10	259	307

continued...

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1st March 2022	
and 28th February 2023	**3,793**
PROVISIONS	
At 1st March 2022	**2,545**
Impairments	**1,248**
At 28th February 2023	**3,793**
NET BOOK VALUE	
At 28th February 2023	**-**
At 28th February 2022	1,248

The directors believe that the carrying value of the investment is supported by the underlying net assets and future forecast cashflows.

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal Activity
Debt in Control Limited *	England and Wales	Ordinary	100%	Dormant
Moneyplus Legal Limited "	England and Wales	Ordinary	100%	Legal services
Moneyplus Blackburn Limited *	England and Wales	Ordinary	100%	Dormant
Kensington Knight Limited *	England and Wales	Ordinary	100%	Dormant
Clear Financial Solutions (UK) Limited *	England and Wales	Ordinary	100%	Dormant
The Debt People Limited *	England and Wales	Ordinary	100%	Dormant
Moneyplus 2010 Limited *	England and Wales	Ordinary	100%	Dormant
Patronus Group Limited *	England and Wales	Ordinary	100%	Dormant
R&R Financial Solutions Limited *	England and Wales	Ordinary	100%	Dormant
Hamilton Locke & Co. Limited *	England and Wales	Ordinary	100%	Dormant
Pathfinder Financial Services Limited *	England and Wales	Ordinary	100%	Dormant
Mollykit Ltd *	England and Wales	Ordinary	100%	Dormant
Bright Oak Limited *	England and Wales	Ordinary	100%	Financial services

continued...

14. FIXED ASSET INVESTMENTS - continued

The following are subsidiaries of MoneyPlus 2010 Limited:

Chiltern (UK) Limited*	England and Wales	Ordinary	100%	Dormant

The following are subsidiaries of Moneyplus Legal Limited:

Richardson Mail Limited '	England and Wales	Ordinary	100%	Financial services
Tenant Protect Limited '	England and Wales	Ordinary	100%	Financial services

The registered office and principal place of business of all of the above mentioned companies is Riverside, New Bailey Street, Manchester, M3 5FS.

* Subsidiary is exempt from the requirements of the Companies Act 2006 relating to the audit of its individual accounts by virtue of Section 477.

' Subsidiary is exempt from the requirements of the Companies Act 2006 relating to the audit of its individual accounts by virtue of Section 479A.

^ Subsidiary entered into administration on 21st September 2021 and moved to dissolution on 8th September 2022.

" Subsidiary entered into liquidation on 10th November 2023.

The financial year end of all of the subsidiaries is on 28th February 2023.

15. DEBTORS

	2023	2022
	£'000	£'000
Trade debtors	**105**	24
Amounts owed by group undertakings	**3,766**	4,427
Other debtors	**15**	22
Directors' current accounts	**64**	66
Tax	**2**	-
Deferred tax asset	**5**	5
Prepayments and accrued income	**2,912**	1,721
	6,869	6,265

continued...

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£'000	£'000
Trade creditors	885	643
Amounts owed to group undertakings	7,547	2,963
Taxation	-	197
Social security and other taxation	80	584
VAT	27	112
Other creditors	419	36
Accruals and deferred income	674	1,287
	9,632	5,822

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£'000	£'000
Other loans (see note 18)	-	2,950

18. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£'000	£'000
Amounts falling due between two and five years:		
Other loans - 2-5 years	-	2,950

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£'000	£'000
Within one year	546	511
Between one and five years	2,182	2,117
In more than five years	2,695	3,087
	5,423	5,715

20. DEFERRED TAX

	£'000
Balance at 1st March 2022	(5)
Balance at 28th February 2023	(5)

The deferred tax balance is made up solely of timing differences in relation to the excess of capital allowances over depreciation.

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21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £'000	2022 £'000
7,747	Ordinary	£1.00	**8**	8
253	Ordinary A	£1.00	**-**	-
1,099	Deferred	£1.00	**1**	1
			9	9

The ordinary shares and ordinary A shares carry equal voting rights. Deferred shares have no voting rights and have no rights to receive a dividend. In the event of winding up of the Company, the deferred shareholders shall receive up to the amount of the nominal value held, proportional with ordinary and ordinary A shareholders, with the balance of any remaining assets distributed proportionally to ordinary and ordinary A shareholders.

22. ULTIMATE PARENT COMPANY

The immediate parent undertaking at the balance sheet date was Moneyplus Midco Limited and the ultimate parent undertaking was Moneyplus Holdings Limited, both companies are registered in England and Wales and their registered office is Riverside, New Bailey Street, Manchester M3 5FS.

The parent company of the largest group that includes the company and for which consolidated financial statements are prepared is Moneyplus Holdings Limited. Copies of these financial statements can be obtained from the registered office at Riverside, New Bailey Street, Manchester M3 5FS.

23. CONTINGENCIES AND GUARANTEES

The company is subject to an unlimited composite guarantee. The guarantee secures the liabilities of MoneyPlus Holdings and its subsidiaries. At 28 February 2023 the total amount of liabilities totalled £48,266,404 (2022 - £41,525,889).

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 28th February 2023 and 28th February 2022:

	2023 £'000	2022 £'000
Mr C Davis		
Balance outstanding at start of year	**60**	10
Amounts advanced	**1**	50
Amounts repaid	**-**	-
Amounts written off	**-**	-
Amounts waived	**-**	-
Balance outstanding at end of year	**61**	60

continued...

25. RELATED PARTY DISCLOSURES

During the year, the Company entered into transactions, in the ordinary course of business, with the related parties below:

Fees of £36k (2022: £50k) were incurred during the period to connected entities of E McNicol and C Davis. There was £1k (2022: £7k) outstanding at the reporting date.