

REGISTERED NUMBER: 09595646 (England and Wales)

Tide Platform Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

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Tide Platform Limited

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for the Year Ended 31 December 2021

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Tide Platform Limited

Company Information
for the Year Ended 31 December 2021

DIRECTORS:

G O Duncan
E Haskell
R L Marriott
O R A Prill
I Sutherland

COMPANY SECRETARY:

E Haskell

REGISTERED OFFICE:

5th Floor
1 Applod Street
London
EC2A 2UT

REGISTERED NUMBER:

09595646 (England and Wales)

AUDITOR:

Deloitte LLP
Statutory Auditor
5 Callaghan Square
Cardiff
United Kingdom
CF10 5BT

Tide Platform Limited

Strategic Report for the Year Ended 31 December 2021

The directors present their Strategic Report for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of Tide Platform Limited ("Tide", the "Company") in the year under review was as a software and services provider which provides a platform for current accounts, other financial products and financial administration software tools to help small businesses run their activities more efficiently.

REVIEW OF BUSINESS

Tide's mission is to help our members (customers) save time (and money) in the running of their businesses, so they can get back to doing what they love. Our vision is to become the UK's leading Business Financial Platform.

Tide Platform Limited is an FCA regulated e-money institution.

The business remains dedicated to delivering its mission to current members and on boarding new members. The Company intends to continue to expand and enhance its product offering in order to meet both current and future customer demands and expectations.

The Company's employees are key to its successes in delivering the business plan to date and achieving its mission thus far, and will continue to be into the future. Over the last financial year, staff numbers have increased from 392 to 499 and continued to grow after the year end.

From mid-April 2020, all new Tide members' accounts are provided by ClearBank, and protected by the Financial Services Compensation Scheme (FSCS). ClearBank is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA.

FINANCIAL REVIEW

Turnover has increased from £13.6m to £32.0m for the year ended 31 December 2021 due to significant growth in the member base and introduction of new products and features. Operating loss for the year was £31.0m (2020: £25.8m), due to increased expenditure on marketing and customer acquisition activities and continued investment in technological and product development.

Net assets of the Company were £4.4m (2020: £7.5m). Post year end funding activities include equity funding of £25.0m from its parent company, Tide Holdings Limited and £18.5m debt funding from refinancing existing loans.

The metrics included in this section are also considered to be the Group's key performance indicators.

PRINCIPAL RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a number of financial risks. Management reviews the key risks facing the business on a monthly basis or more frequently if required. The principal risks exposed to the business due to its activities are considered to be strategic, financial, operational, conduct, financial crime, credit and counterparty, regulatory compliance and information security risks, as well as economic uncertainty surrounding the Covid-19 pandemic and geo-political environment.

The Company operates a three lines of defence model, where the third line (audit) is managed through external audit partners. The Company maintains a risk management framework and risk register, which is reviewed and evaluated by key internal stakeholders and maintained by the VP Risk and Compliance. The Company also undertakes specific audits including Financial Crime and GDPR audits, and oversight checks including PEN tests. Below are the key learnings from these risk assessments as well as data from internal risk evaluations. These risks will continue to change with the Company profile, internally and externally, as well as changes in external market forces.

Key Risks & Mitigating Controls

Strategic risk

There is a strategic risk posed by the ambitious strategy laid out by the Company, and therein there may be a lack of suitable resources to support the Company's growth plans. Senior management of business areas are responsible for their own resourcing budgets, thus the need to define the necessary resources is within the action line itself and not top-down. Resource requests are reviewed by management in line with the growth strategy and approved in line with departmental priorities; any additional resources required will be reviewed and requested of the Board by the CEO. Actual performance is reviewed against budgets on a monthly basis and any change in assumptions and expectations can be updated in forecasts.

Tide Platform Limited

Strategic Report - continued
for the Year Ended 31 December 2021

PRINCIPAL RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT - continued

Key Risks & Mitigating Controls - continued

Financial risk

There are two factors in Capital Adequacy Risk: that capital is - or will be - insufficient to meet the Company's operational requirements, and that of the regulatory requirements in accordance with its FCA regulation. Liquidity risk is defined as the risk that Tide has insufficient financial resources to meet its commitments as they fall due.

Tide is adequately capitalised and has sufficient funding to meet its needs, with significant investor funding and both commitment and appetite for continued investment. The CEO reviews the Company's financial position in both management accounts and quarterly reforecasts on at least a monthly basis, in addition to the Board of Directors' regular reviews. This allows for early identification when additional fundraising is likely to be required. Management regularly monitors working capital and funding requirements to ensure that it is able to meet its obligations as they fall due and there is a strategic liquidity plan that is reviewed and signed off by the Board in line with the business plan.

The directors also monitor the results of capital and liquidity adequacy under stress scenarios and triggers for remedial actions. The Board has a number of contingency plans available to execute should we encounter stress scenarios that could cause significant financial impact.

Tide does not enter structural interest rate risks with all lending undertaken at fixed interest rates. No balance sheet interest rate risk arises from member deposits at Tide's partner bank. Exchange rates movements on cost expenditures in Euros and Dollars are limited to 23% of the cost base and are reviewed as part of the quarterly financial review cycle.

Conduct risk

Conduct risk is the risk that members suffer loss or detriment due to failures in the design, promotion or delivery of Tide's products and services. Tide's products are designed with members first and foremost in their design and delivery, in accordance with the Company mission, to save our customers both time and money. The approach to product design and delivery is holistic, with our experienced product, development, operations and member support functions contributing to the member experience, which in itself helps to avoid and mitigate conduct risk, both in design phase and on-going post-delivery.

Financial crime

Financial crime risk is the risk that members will attempt to financially benefit from illegal activities in particular acts such as money laundering, terrorist financing, tax evasion, sanction evasion, bribery and corruption and fraud.

The business uses industry-leading identification and verification providers to assess all applicants, who are also verified and cross referenced against third party databases and watchlists. Multi-layer in-app verification prevents unlawful access to members' accounts, and utilises Mastercard's anti-fraud rules to decline and alert for compromised cards. The business has developed transaction monitoring systems designed to alert transactions indicating potential behaviour linked to financial crime. Tide continues to enhance and refine these systems.

Tide has developed software and has dedicated personnel to monitor for, identify and react to suspected financial crime. The Company actively engages in industry forums such as the FinTech FinCrime Exchange (FFE), FinTech FinCrime Policy Group run by the Royal United Services Institute (RUSI), and many others, to stay informed of typologies and proactively identify financial crime.

Any suspicion identified by Tide is reported directly to the National Crime Agency (NCA) in the form of a suspicious activity report (SAR).

Operational risk and failure of outsourced providers

Member funds are ultimately held in the Company's GBP e-money provider's safeguarding account held with Barclays, therefore if the Company were to become insolvent; the funds would still be available via this e-money provider. The e-money provider is subject to FCA regulation, including on business continuity arrangements.

The majority of members will have their funds held in ClearBank FSCS-protected bank accounts. ClearBank is authorised by the PRA and regulated by the FCA and the PRA. Eligible deposits with ClearBank are protected up to a total of £85,000 by the FSCS, the UK's deposit guarantee scheme.

Tide Platform Limited

Strategic Report - continued
for the Year Ended 31 December 2021

PRINCIPAL RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT - continued

Key Risks & Mitigating Controls - continued

Operational risk and failure of outsourced providers - continued

ICA accounts are issued under Tide Platform's own e-money license and the funds are held at Banking Circle. The business has a strong relationship with its GBP e-money provider and is constantly reviewing their ability to meet their operational obligations to Tide. Tide maintains a business continuity plan, disaster recovery plan, and incident management policy and procedure to manage operational incidents should they arise. Tide also maintains a wind-down plan.

There are various service providers that support Tide's output services, however there is no one service provider for each of these individual services, and were any of the other service providers in the IT chain to fail Tide believes it has the ability to replace these with alternative providers, either immediately or within a short timeframe.

Credit and counterparty risk

Credit risk is defined as the risk of a loss resulting from a member's failure to repay a loan or meet contractual obligations, and the risk that any financial institutions in which Tide's holds its own cash run into financial difficulty and are unable to release Tide's funds from such accounts (wholesale credit risk).

Tide adheres to internal credit policies and procedures and lending best practices to identify, assess and manage risks which would expose Tide's Company to financial losses.

Member credit risk for the credit products is measured and monitored against a risk appetite framework. The first and second lines of defence collaborate on an ongoing basis to monitor and mitigate credit risk and assess risk appetite to enable Tide members to have access to appropriate credit.

Wholesale credit risk limits are approved for counterparties holding Tide's own cash based on a risk assessment of the entities' creditworthiness and stability. Credit exposures to counterparties are monitored on a regular basis.

Credit products policies and credit risk policies are reviewed against the credit product performance and counterparty limit utilisation.

Regulatory compliance risk

Tide faces a risk that any new regulation or changes to the existing regulatory framework might impact Tide's operations and business. This also includes not being prepared for any regulatory changes and breaching compliance requirements. To ensure this is mitigated properly, Tide maintains an ongoing proactive Horizon Scanning process, to ensure Tide stays up-to-date with all relevant changes to the regulatory landscape and ensures compliance with implementation dates specified by Tide regulators. It also provides Tide with an opportunity to incorporate international standards and best practices where applicable.

Tide also faces a risk that operational teams do not properly follow the internal policies and procedures put in place to ensure regulatory compliance, resulting in an internal breach. To mitigate this, Tide adheres to the 'Three Lines of Defence' (3LOD) model. The 3LOD approach ensures a clear delineation of responsibilities between control over day-to-day operations, risk oversight and control and independent assurance of Tide's activities.

Due to the nature of the business, Tide holds member data and employee data, and the Company must be compliant with strict data protection and privacy laws and regulations, such as General Data Protection Regulation (GDPR).

The second line of defence Risk & Compliance team conduct testing and monitoring of the first line of defense's adherence to policies and procedures. This ensures the different risks across the business are being mitigated properly, and that the controls in place set by the first line of defense are effective and aligned with the approved policies and procedures.

The Company has to maintain a minimum regulatory capital requirement under the FCA's e-money regulations. Management ensure that capital resources are monitored and maintained above the regulatory capital limits at each reporting date.

Tide Platform Limited

Strategic Report - continued
for the Year Ended 31 December 2021

PRINCIPAL RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT - continued

Key Risks & Mitigating Controls - continued

Information security risk

The robust approach to the risk around IT security is central to all areas of the business and there are penetration tests and code security reviews performed annually as well as upon each major product release to reinforce this security. Under the guidance of the CISO, there is substantial internal and third-party investment in IT security features in which Tide continues to invest and build.

Economic uncertainty

The government issued plans for "Living with Covid-19" and removed remaining restrictions in 2022. The directors consider the future impact of Covid-19 on the Company to be minimal and will continue to monitor key risk metrics.

The impact of the Ukraine/Russia conflict has been assessed in terms of risk to the operations of the Company and no material issues have been noted. The Company's customer base is UK SMEs and therefore the Company has no exposure to sanctions imposed by governments. Management continues to monitor the situation to ensure that the Company complies with any regulatory or legal changes which may impact operations as the conflict continues.

Management is also monitoring macroeconomic factors such as rising interest rates and inflation which may impact Tide's customer base in the UK. The Company has continued to expand its customer base despite the challenging climate.

FUTURE DEVELOPMENTS

The directors expect the level of business activity to increase in the coming year. This is as a result of increased investment allowing for improved and widening marketing expenditure, providing strengthened exposure in the marketplace and further expansion of the service offering, as well as enhancements and improvements in the existing product base. As trust in fintech grows and more SMEs choose to move away from traditional high street banks, Tide continues to benefit from its transparent approach to business banking. This can already be seen into the new financial year, as member applications and onboarded customers continue to increase month on month.

SECTION 172 STATEMENT

Section 172 of the Companies Act 2006 ("s.172") imposes a general duty on Directors to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders. Our goal is to drive value for members (our customers), Tideans (our colleagues), and shareholders alike. The Directors believe that balancing the interest of stakeholders with our corporate purpose and the desire to maintain high standards of ethical conduct is embedded in the way we do business.

Our mission is to help our members save time (and money) in the running of their businesses, so they can get back to doing what they love.

The Directors delegate day-to-day management and decision-making to its senior management team, but it maintains oversight of the Company's performance, and reserves to itself specific matters for approval. Then, by receiving regular updates on business performance, activities and objectives, the Directors monitor that management is acting in accordance with agreed strategy. Processes are in place to ensure that the Directors receive all relevant information to enable them to make well-judged decisions in support of the Company's long-term success.

Shareholders

Tide Platform Limited was incorporated on 18 May 2015 and is a software and services provider which provides a platform for current accounts, other financial products and financial administration software tools to help small businesses run their activities more efficiently.

The Directors engage directly with the Board of Tide Holdings Limited (ultimate parent company) through routine reporting and uses this engagement to ensure that the Company's strategy is aligned with that of the Board of Tide Holdings Limited and its shareholders.

Tide Platform Limited

Strategic Report - continued
for the Year Ended 31 December 2021

Key Risks & Mitigating Controls - continued

Our members

The Directors take a keen interest in member feedback and encourage the business to maintain multiple channels and methods of communication to engender a useful dialogue. Senior management attended Board meetings in 2021 to provide insight on member feedback and market expectations. The Directors use this feedback and surveys to ensure the Company continues to provide best in class services. Member feedback is analysed and resolved through the Member Root Cause Feedback (MRCF) mechanism.

Investing in people

Tideans are the driving force behind our mission and growth. We engage with our employees clearly communicating strategy and performance. We support the development of our people through appropriate learning and development initiatives. The Directors regularly seek feedback from employees directly and through management. Employee surveys are completed bi-annually with the results reported to the Board. This information is used by the Directors to ensure we continue to have an engaged, motivated and appropriately trained workforce.

The environment

We have a number of targets and initiatives aimed at reducing the adverse impact of our business on the environment. During the year we considered our approach to climate change and agreed further measures we can take to reduce our impact on the environment including formalising our commitment to the Bankers for Net Zero initiative and engaging a third party supplier to measure our carbon footprint, which is reported to the Board.

Our suppliers


The Company aims to build strong collaborative relationships with its key suppliers, sourcing the best services for the benefit of our members. The Board is committed to high standards of ethical business conduct. We balanced the benefits of maintaining strong partnerships with key suppliers alongside the need to obtain value for money for our investors and excellent quality and service for our members.

Information about key suppliers is provided to the Directors when relevant, for review and approval of certain supplier contracts.

Lenders

Regular reporting is in place that demonstrates Company performance is meeting agreed covenant reporting and providing all required information submissions.

Approved by the Board and signed on its behalf by:

DocuSigned by:


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O R A Prill - Director

5th Floor
1 Appold Street
London
EC2A 2UT

11/30/2022
Date:

Tide Platform Limited

Directors' Report for the Year Ended 31 December 2021

The directors present their annual report on the affairs of Tide Platform Limited (the 'Company') together with the audited financial statements for the year ended 31 December 2021.

DIVIDENDS

The directors do not recommend the payment of a dividend in the year (2020: £nil).

DIRECTORS

The directors who served during the year and up to the date of this report, unless otherwise stated, were as follows:

G O Duncan
E Haskell
L D Krieger (resigned 25 October 2021)
R L Marriott
O R A Prill
I Sutherland

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.

MATTERS COVERED BY THE STRATEGIC REPORT

See the Strategic Report for details of the principal activity, financial risk management and future developments.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis of accounting in preparing the annual financial statements. More detail can be found in note 1 of the financial statements.

EVENTS AFTER THE BALANCE SHEET DATE

Post year end funding activities include equity funding of £25.0m from its parent company, Tide Holdings Limited and £18.5m debt funding from refinancing existing loans.

The impact of the Ukraine/Russia conflict has been assessed in terms of risk to the operations of the Company and no material issues have been noted. The Company's customer base is UK SMEs and therefore the Company has no exposure to sanctions imposed by governments. Management continues to monitor the situation to ensure that the Company complies with any regulatory or legal changes which may impact operations as the conflict continues.

Management is also monitoring macroeconomic factors such as rising interest rates and inflation which may impact Tide's customer base in the UK. The Company has continued to expand its customer base despite the challenging climate. Tide does not enter structural interest rate risks with all lending undertaken at fixed interest rates.

RESEARCH AND DEVELOPMENT

During the year, the Company developed and made enhancement to numerous products in line with expansion and customer demand, including, but not limited to: Open Access whereby members can access the Tide platform for business services without needing to open a Tide BCA with ClearBank; a feature that allows members to email an invoice to a customer which contains a payment URL; Tide Accounting Tool which is an end-to-end accounting and tax solution that delivers relevant, timely insights and supports the full range of compliance tasks for members; a feature enabled on mobile-app for members providing insights based on past activity and offering solutions to improve cash flow; a feature to allow members to send and receive Euro payments straight from their GBP account; a modelling tool to ascertain which members are eligible for proprietary lending through the Tide platform.

EXISTENCE OF BRANCHES OUTSIDE THE UK

The Company has branches, as defined in section 1046(3) of the Companies Act 2006, outside the UK as follows: Tide Platform Ltd - Bulgaria Branch BFT - opened November 2018.

SHARE ISSUE

The Company issued 27,500,000 Ordinary shares of £1 each during the year following an investment of capital by the Company's parent Tide Holdings Limited.

Tide Platform Limited

Directors' Report - continued
for the Year Ended 31 December 2021

AUDITOR

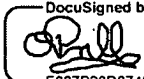
Each of the persons who is a director at the date of approval of this report separately confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:

DocuSigned by:

.....E007620D87454DB.....
O R A Prill - Director

5th Floor
1 Appold Street
London
EC2A 2UT

11/30/2022
Date:

Tide Platform Limited

Directors' Responsibilities Statement
for the Year Ended 31 December 2021

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 year. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Independent Auditor's Report to the Members of
Tide Platform Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Tide Platform Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 22.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We 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 Financial Reporting Council's (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 other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 Auditor's Report to the Members of
Tide Platform Limited - continued

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- 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 Financial Conduct Authority electronic money regulatory requirements applicable to the Company as it is authorised as an e-money issuer.

We discussed among the audit engagement team including relevant internal specialists such as IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- **Grant Income awarded from Banking Competition Remedies ("BCR"):** This income is subject to meeting various criteria which involve a significant level of complexity. In response, we have tested the design and implementation of key controls in the process, inspected contractual documentation associated with the grants and for a sample of expenditure we have validated that the expenses were in accordance with the grant rules. We have performed a review of Tide's market percentage by validating existence for a sample of customers; and
- **Share-Based Payments:** Share-based Payments includes an area of great estimation uncertainty, specifically in relation to the option valuation as at grant dates. In response, we have consulted with a valuations specialist, recalculated the expense in the current period and prior periods covering the 2016 to 2020 expense, developed independent valuations of granted options and agreed a sample of options granted/rescinded to supporting options contracts. We have also tested the design and implementation of key controls in the process.

The related accounting policies and estimation uncertainty disclosures can be found at notes 1 and 2 respectively for share-based payments. The associated accounting policy disclosure for BCR grant income can be found at note 1.

Independent Auditor's Report to the Members of
Tide Platform Limited - continued

Extent to which the audit was considered capable of detecting irregularities, including fraud - continued

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing compliance reports and reviewing correspondence with the Financial Conduct Authority.

Report on other legal and regulatory requirements

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.



David Rozier (Senior Statutory Auditor)
for and on behalf of Deloitte LLP, Statutory Auditor
Cardiff
United Kingdom

Date: 30 November 2022

Tide Platform LimitedProfit and Loss Account
for the Year Ended 31 December 2021

		2021 £	Restated 2020 £
	Note		
TURNOVER		32,021,212	13,560,875
Cost of sales		(9,198,597)	(4,677,202)
GROSS PROFIT		22,822,615	8,883,673
Administrative expenses		(68,300,525)	(54,044,132)
Other operating income		14,527,075	19,357,265
OPERATING LOSS	5	(30,950,835)	(25,803,194)
Interest receivable and similar income		110,655	103,505
Interest payable and similar expenses		(1,873,038)	(97,410)
LOSS BEFORE TAXATION		(32,713,218)	(25,797,099)
Tax on loss	6	961,079	536,861
LOSS FOR THE FINANCIAL YEAR		(31,752,139)	(25,260,238)

All activities derive from continuing operations.

There are no recognised gains or losses for the current financial period or preceding financial year other than as stated in the Profit and Loss Account. Accordingly, no separate Statement of Comprehensive Income has been presented.

The notes on pages 16 to 28 form part of these financial statements.

Tide Platform LimitedBalance SheetAs at 31 December 2021

		2021	Restated 2020
	Note	£	£
FIXED ASSETS			
Intangible assets	7	3,531,933	2,627,445
Tangible assets	8	585,412	780,849
Investments	9	150	-
		<u>4,117,495</u>	<u>3,408,294</u>
CURRENT ASSETS			
Stocks	10	105,490	113,472
Debtors	11	28,998,062	16,211,870
Cash at bank and in hand	12	15,098,115	6,179,956
		<u>44,201,667</u>	<u>22,505,298</u>
CREDITORS			
Amounts falling due within one year	13	(22,756,684)	(11,543,977)
NET CURRENT ASSETS		<u>21,444,983</u>	<u>10,961,321</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>25,562,478</u>	<u>14,369,615</u>
CREDITORS			
Amounts falling due after more than one year	14	(21,164,664)	(6,839,088)
NET ASSETS		<u><u>4,397,814</u></u>	<u><u>7,530,527</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	90,537,193	63,037,193
Other reserves		5,149,405	4,029,979
Profit and loss account		(91,288,784)	(59,536,645)
SHAREHOLDERS' FUNDS		<u><u>4,397,814</u></u>	<u><u>7,530,527</u></u>

The financial statements of Tide Platform Limited (Registered number: 09595646) were approved by the Board of Directors and authorised for issue on 30 November 2022. They were signed on its behalf by:

DocuSigned by:



E007B28D87454DB.....

O R A Prill - Director

30 November 2022

Tide Platform LimitedStatement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital £	Profit and loss account £	Other reserves £	Total equity £
Balance at 1 January 2020 (As previously stated)	41,337,193	(32,852,068)	-	8,485,125
Prior year adjustment (note 3)	-	(1,424,339)	1,424,339	-
Balance at 1 January 2020 (Restated)	41,337,193	(34,276,407)	1,424,339	8,485,125
Issue of share capital	21,700,000	-	-	21,700,000
Loss for the year and total comprehensive loss (Restated)	-	(25,260,238)	-	(25,260,238)
Capital contribution reserve (Restated)	-	-	2,605,640	2,605,640
Balance at 31 December 2020 (Restated)	63,037,193	(59,536,645)	4,029,979	7,530,527
Issue of share capital	27,500,000	-	-	27,500,000
Loss for the year and total comprehensive loss	-	(31,752,139)	-	(31,752,139)
Capital contribution reserve	-	-	1,119,426	1,119,426
Balance at 31 December 2021	90,537,193	(91,288,784)	5,149,405	4,397,814

Tide Platform Limited

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the year and to the preceding period.

1.1. General information and basis of accounting

Tide Platform Limited (the "Company") is a company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 5th Floor, 1 Appold Street, London, England, EC2A 2UT.

The principal activities of the Company and the nature of its operations are set out in the Strategic Report.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. The Company is consolidated in the financial statements of its parent, Tide Holdings Limited, which may be obtained at 5th Floor, 1 Appold Street, London, England, EC2A 2UT. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, remuneration of key management personnel and share based payment transactions.

1.2. Related parties

As the Company is a wholly owned subsidiary of Tide Holdings Limited, the Company has taken advantage of the exemption contained in Section 33 of FRS 102 and not disclosed transactions or balances with other wholly owned entities which form part of the Group.

1.3. Going concern

In adopting the going concern basis of preparing the financial statements, the directors have considered the business activities and future plans to develop its product offering and scale its member base, as well as the Company's principal risks and uncertainties set out in the Strategic Report. Based on cash flow forecasts, financial projections, support from its parent company and investor confidence following recent equity fundraising and debt refinancing, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

The directors acknowledge the uncertainty and continue to monitor key risk metrics as well as the situation regarding the economic environment, geo-political uncertainty and the pandemic closely. The directors have a number of contingency measures available should the Company encounter financial stress, impacting liquidity and capital particularly.

1.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the year during which the Company is expected to benefit.

Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss.

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021**1. ACCOUNTING POLICIES - continued****1.4 Intangible assets - continued**

Amortisation is provided on the following basis:

Computer software	20% straight line
-------------------	-------------------

Amortisation charged in the year is reported within administrative expenses on the Profit and Loss Account.

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. 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 provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life.

Depreciation is provided on the following basis:

Leasehold improvements	100% straight line
Office equipment	33% straight line
Computer equipment	33% 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 the profit and loss account.

1.6 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, and loans from related parties.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021**1. ACCOUNTING POLICIES - continued****1.6 Financial instruments - continued**

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

1.7. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the profit and loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date. Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

1.8. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is based on the cost of purchase and calculated using the FIFO (first-in, first-out) method. At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.9. 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 3 months.

1.10. Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

1.11. Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

1.12. Employee benefits

The Company operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021**1. ACCOUNTING POLICIES - continued****1.13 Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

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

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Research and development expenditure tax credits are recognised as income after submission to the HMRC and on the basis that it is probable that the claim will be settled by the HMRC.

1.14. Leases*The Company as lessee*

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the year of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

1.14. Leases - continued*The Company as lessee - continued*

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.

1.15 Grant income

Grant income is recognised based on the accruals model or the performance model and is measured at the fair value of the asset receivable. The basis is determined individually for each grant. The Company has applied the performance model in respect of the Banking Competition Remedies ("BCR") grant. The grant is recognised in income when the grant is receivable based on the achievement of an operational performance objective to attain target SME business current account market share. The grant funds will be released evenly following each 1% incremental share gained. The grant funds will only be released to the extent that eligible financial expenditure has been incurred and match funded by the Company. Eligible expenditure is defined as expenditure on marketing, processing and servicing, programme governance and proposition development. Grant income is presented as other operating income.

Tide Platform Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES - continued

1.16 Share based payments

Certain employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for share options in equity instruments issued by the ultimate parent company, Tide Holdings Limited (equity-settled transactions).

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the share options at the date of the grant. Non-market vesting conditions are only taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of equity instruments that eventually vest.

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.

The Company is a qualifying entity taking advantage not to disclose additional information on share based payment transactions.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Company's accounting policies

The directors do not believe there are any material critical judgements made in applying the accounting policies in these statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Recognition of share based payment expense

We determine the costs of the share-based payments expense on the basis of the fair value of the equity instrument at grant date. Determining the fair value assumes choosing the most suitable valuation model for these equity instruments, for which the characteristics of the grant have a decisive influence. This assumes also the input into the valuation model of some relevant judgments, like the enterprise value, estimated expected life of the options and the volatility. The judgments made and the model used are further specified below and in note 18.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised.

No deferred tax asset has been recognised at 31 December 2021 to the extent that it is not considered probable that a deferred tax asset would be recovered against future profits. The Company has not recognised deferred tax assets of £5,985,849 in respect of losses amounting to £82,657,340 that can be carried forward against future taxable income.

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021**3. PRIOR YEAR ADJUSTMENT**

The Company has a contract research and development agreement with Tide Platform Private Limited for the year ended 31 December 2021, whereby certain services were provided by Tide Platform Private Limited to the Company under a cost plus mark up arrangement. The expense is recognised for both the year ending 31 December 2020 (as restated) and 31 December 2021. In the prior period, expenses due for services provided by Tide Platform Private Limited were not recognised. This resulted in an understatement of administrative expenses and amounts owed to group undertakings by £1,132,462.

We have reviewed the valuation methodology and have recognised a share based payment expense. The expense is recognised for opening balances (as restated), the year ending 31 December 2020 (as restated) and 31 December 2021. During the period, it was identified that the fair value of options granted between the period 2016 to 2020 were undervalued at the grant dates. As a result the Company has previously not recognised share based payments in the financial statements. This resulted in an understatement of share based payments expense by £1,424,339 between 2016 and 2019 and £2,605,640 amount attributable to 2020. The corresponding entries to correct the understatement are to recognise the expense in the prior period via retained earnings, along with an adjustment to other reserves.

Given the business events, significant management judgement had to be applied to determine the fair value of ordinary share options. The main element of judgement related to the value of the discount that was applied to the implied Series A option price to reflect the business performance during the period. This required the application of a varying level of discount to determine the fair value estimates of the majority of options granted during 2017 and 2018.

The effects of the prior period adjustment are summarised below:

Impact on reserves:

	Profit and loss reserves	Other reserves
	£	£
Balance as at 1 January 2020 as previously stated	(32,852,068)	-
Recognition of share based payments for 2016 to 2019	(1,424,339)	1,424,339
Balance as at 1 January 2020 as restated	<u>(34,276,407)</u>	<u>1,424,339</u>
Balance as at 31 December 2020 as previously stated	(54,374,204)	-
Recognition of share based payments for 2016 to 2019	(1,424,339)	1,424,339
Recognition of share base payments for 2020	(2,605,640)	2,605,640
Restatement of amounts owed by group undertakings	(1,132,462)	-
Balance as at 31 December 2020 as restated	<u><u>(59,536,645)</u></u>	<u><u>4,029,979</u></u>

Impact on profit and loss for the year ended 31 December 2020:

	As previously stated	Prior year adjustment	As restated
	£	£	£
Administrative expenses	(50,306,030)	(3,738,102)	(54,044,132)
	<u><u>(50,306,030)</u></u>	<u><u>(3,738,102)</u></u>	<u><u>(54,044,132)</u></u>

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021**4. EMPLOYEES AND DIRECTORS**

	2021	Restated 2020
	£	£
Wages and salaries	16,903,024	16,172,017
Social security costs	2,115,358	1,577,326
Other pension costs	622,152	485,967
Share based payment expense	1,119,426	2,605,640
	<u>20,759,960</u>	<u>20,840,950</u>

The monthly average number of employees (including executive directors) was:

	2021	2020
	No.	No.
Staff numbers inc. directors	<u>437</u>	<u>342</u>

The remuneration of directors was as follows:

	2021	2020
	£	£
Directors' remuneration	1,398,198	1,124,333
Directors' pension contributions to money purchase schemes	14,863	6,896
	<u>1,413,061</u>	<u>1,131,229</u>

The aggregate of emoluments, including benefits in kind, was paid to 7 (2020: 6) directors in the year. The number of directors who are members of a defined contribution pension scheme is 7 (2020: 6). The aggregate of emoluments, including benefits in kind, of the highest paid director was £295,246 (2020: £274,663). The Company's pension contributions paid on behalf of the highest paid director was £8,489 (2020: £1,259).

5. OPERATING LOSS

The operating loss is stated after charging:

	2021	2020
	£	£
Depreciation	498,277	552,747
Amortisation	958,220	797,974
Impairment	30,962	159,658
Grant income	(12,794,517)	(18,048,784)
Operating lease payments recognised as an expense	1,211,081	1,152,095
Auditors remuneration for the audit of these financial statements	62,458	38,875
Auditors remuneration for other services	<u>3,950</u>	<u>3,950</u>

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021**6. TAXATION****Analysis of the tax credit**

The tax charge credit on the loss for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	-	-
Foreign corporation tax	16,089	44,056
Adjustment in respect of previous periods	(977,168)	(580,917)
Tax on loss	<u>(961,079)</u>	<u>(536,861)</u>

Factors affecting tax credit in the year

The total tax credit is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021	Restated
	£	2020
	£	£
Loss before tax	<u>(32,713,218)</u>	<u>(25,797,099)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(6,215,511)	(4,901,449)
Effects of:		
Expenses not deductible for tax purposes	232,719	668
Adjustment from previous periods	(977,168)	(580,917)
Effects of overseas tax rates	13,032	44,056
Deferred tax not provided	<u>5,985,849</u>	<u>4,900,781</u>
Total tax charge	<u>(961,079)</u>	<u>(536,861)</u>

The Company has taxable losses carried forward of approximately £82,657,340 (2020: £51,672,000).

The Company capitalised £25,475 and £1,832,626 of software development costs during the financial years ended 31 December 2020 and 31 December 2021 respectively. The Company has not yet made a claim for R&D tax credits for those periods, opting instead to claim these with a future period of accounts.

Factors that may affect future tax charges:

Finance Act 2020 enacted provision to increase the UK Corporation tax rate to 19% from 1 April 2020 and accordingly the deferred tax at 31 December 2021 was calculated at this rate.

An increase in the standard rate of UK corporation tax from 19% to 25% with effect from 1 April 2023 was enacted on 10 June 2021. This change will impact the current tax charge for the Company in future periods. Any deferred tax, if recognised, would be done so with reference to these rates.

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. INTANGIBLE FIXED ASSETS

	Computer software £	Total £
COST		
At 1 January 2021	4,508,327	4,508,327
Additions	1,893,670	1,893,670
At 31 December 2021	6,401,997	6,401,997
AMORTISATION		
At 1 January 2021	1,880,882	1,880,882
Amortisation for year	958,220	958,220
Impairment	30,962	30,962
At 31 December 2021	2,870,064	2,870,064
NET BOOK VALUE		
At 31 December 2021	3,531,933	3,531,933
At 31 December 2020	2,627,445	2,627,445

Software development costs have been capitalised in accordance with the requirements of FRS 102 and are therefore not treated, for dividend purposes, as a realised loss.

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office equipment £	Computer equipment £	Total £
COST				
At 1 January 2021	288,531	299,763	991,425	1,579,719
Additions	-	9,520	292,936	302,456
Disposals	(288,531)	(75,848)	(80,752)	(445,131)
At 31 December 2021	-	233,435	1,203,609	1,437,044
DEPRECIATION				
At 1 January 2021	235,539	175,396	387,935	798,870
Charge for year	52,992	72,009	373,276	498,277
Eliminated on disposal	(288,531)	(75,036)	(81,948)	(445,515)
At 31 December 2021	-	172,369	679,263	851,632
NET BOOK VALUE				
At 31 December 2021	-	61,066	524,346	585,412
At 31 December 2020	52,992	124,367	603,490	780,849

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 20219. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
Additions	150
At 31 December 2021	150
NET BOOK VALUE	
At 31 December 2021	150

Name of entity	Registered office	Principal Activity	Class of shares	% of ownership 31.12.21
Tide Platform Private Limited	2nd Floor, Skyview 10, The Skyview, Sy no 83/1 Raidurgam, Hyderabad - 500081, Telangana, India	Software development and IT services as a support centre to the Group.	Ordinary shares	0.01%
Tide Platform Technology and Servicing Private Limited	Office 13 AB, Level 13, Sanali spazio Plot No: 19, Software Uni Layout, Madhapur Hyderabad - 500 081	Software development and IT services as a support centre to the Group.	Ordinary shares	1%

10. **STOCKS**

	2021 £	2020 £
Card stock	105,490	113,472

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	Restated 2020 £
Trade debtors	7,410,453	590,443
Amounts owed by group undertakings	3,330,818	5,239,251
Other debtors	10,018,850	6,092,866
Prepayments and accrued income	8,237,941	4,289,310
	28,998,062	16,211,870

Amounts owed by group undertakings include a £2,985,247 (2020: £5,039,098) loan to Tide Capital Limited that earns interest at 1.7% and will be repaid over three years, secured by BounceBack loans advanced by Tide Capital Limited. The remaining amount relates to short term receivables from group companies.

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 202112. **CASH AT BANK**

	2021	2020
	£	£
Cash at bank and in hand	13,082,096	3,859,519
Encumbered cash	2,016,019	2,320,437
	<u>15,098,115</u>	<u>6,179,956</u>

Encumbered cash relates to balances in ring-fenced accounts to safeguard customer e-money balances.

13. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Bank loans and overdrafts	7,575,756	281,965
Trade creditors	4,340,300	5,620,669
Amounts owed to group undertakings	196,202	-
Other taxation and social security	1,859,405	750,196
Other creditors	5,610,951	2,744,271
Accruals and deferred income	3,174,070	2,146,876
	<u>22,756,684</u>	<u>11,543,977</u>

The loans are secured by way of a fixed and floating charge over the assets of the Company.

14. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021	2020
	£	£
Bank loans	4,415,799	6,839,088
Amount owed from group undertakings	16,748,865	-
	<u>21,164,664</u>	<u>6,839,088</u>

The loans are secured by way of a fixed and floating charge over the assets of the Company.

15. **CALLED UP SHARE CAPITAL AND RESERVES****Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2021	2020
			£	£
90,537,193 (2020: 63,037,193)	Ordinary shares	£1 each	<u>90,537,193</u>	<u>63,037,193</u>

During the year, the Company allotted 27,500,000 (2020: 21,700,000) ordinary shares with a nominal value of £1 each and an aggregate nominal value of £27,500,000 (2020: £21,700,000). Consideration of £27,500,000 (2020: £21,700,000) was received in respect of this share allotment.

Share capital represents the nominal (par) value of shares that have been issued.

The profit and loss account reserve includes all current and prior period retained profits.

Tide Platform LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2021**16. FINANCIAL COMMITMENTS**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Within one year	1,023,812	767,858
Between one and five years	614,287	1,638,099
After five years	-	-
	<u>1,638,099</u>	<u>2,405,957</u>

17. FINANCIAL INSTRUMENTS

	2021	Restated 2020
	£	£
Financial assets		
Cash and cash equivalents	15,098,115	6,179,956
Financial assets measured at amortised cost	24,900,629	13,672,881
	<u>39,998,744</u>	<u>19,852,837</u>
 Financial liabilities		
Financial liabilities measured at amortised cost	<u>25,313,078</u>	<u>17,632,869</u>

Cash and cash equivalents comprise cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 3 months.

Financial assets measured at amortised cost comprise trade debtors, accrued income, other debtors and amounts owed from group undertakings.

Financial liabilities measured at amortised cost comprise loans, trade creditors, accruals, deferred income and other creditors.

18. SHARE BASED PAYMENTS

Certain employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for share options in equity instruments issued by the ultimate parent company, Tide Holdings Limited (equity-settled transactions).

Options are exercisable at a price equal to the estimated fair value of the Company's shares on the date of grant. The vesting period is four years. Options are exercisable at the point of a liquidity event. Unvested options are forfeited if the employee leaves the Company.

The fair value of the share options at the grant date was calculated using the Black-Scholes model, which is considered to be the most appropriate generally accepted valuation method of measuring fair value.

Significant judgement is required to estimate the fair value of ordinary share options. Management used a company specific market transaction relating to the primary Series C fund raise during the year as an input to estimate the fair value of those ordinary share options issued during the year.

The Company recognised total expenses of £1,119,426 and £2,605,640 related to equity-settled share-based payment transactions in 2021 and 2020 (as restated) respectively.

Tide Platform Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

19. **EMPLOYEE BENEFITS**

Defined contribution scheme

The Company operates a defined contribution retirement benefit scheme for all qualifying employees. The total expense charged to profit or loss in the year ended 31 December 2021 was £622,152 (2020: £485,967).

20. **RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemptions available in Section 33 Related Party Transactions of FRS 102 to not disclose transactions between wholly owned subsidiaries in the group.

At the year end, the Company was owed £Nil (2020: £52,657) from the director, G Bevis. The loan was repaid in the year and incurred interest at 6%.

21. **SUBSEQUENT EVENTS**

Post year end funding activities include equity funding of £25.0m from its parent company, Tide Holdings Limited and £18.5m debt funding from refinancing existing loans.

The impact of the Ukraine/Russia conflict has been assessed in terms of risk to the operations of the Company and no material issues have been noted. The Company's customer base is UK SMEs and therefore the Company has no exposure to sanctions imposed by governments. Management continues to monitor the situation to ensure that the Company complies with any regulatory or legal changes which may impact operations as the conflict continues.

Management is also monitoring macroeconomic factors such as rising interest rates and inflation which may impact Tide's customer base in the UK. The Company has continued to expand its customer base despite the challenging climate. Tide does not enter structural interest rate risks with all lending undertaken at fixed interest rates.

22. **ULTIMATE CONTROLLING PARTY**

The ultimate parent company and the ultimate controlling party is Tide Holdings Limited. The parent undertaking of the smallest and largest group, which includes the Company and for which group financial statements are prepared, is Tide Holdings Limited, a company incorporated in the United Kingdom and registered at 5th Floor, 1 Appold Street, London England, EC2A 2UT.