Cashfac PLC

Annual Report and Financial Statements

For the year ended 30 September 2023

Company Registration No. 03781239 (England and Wales)

Cashfac PLC

Company Information

Directors	D Houghton (Chairman) A P Blair J Jeng P W Ormrod
Secretary	H J McInally
Company number	03781239
Registered office	Monument House 18 King William Street London EC4N 7BP
Auditor	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP

Cashfac PLC

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The directors present their strategic report for the Company and the Group for the year ended 30 September 2023.

Cashfac plc is incorporated and domiciled in the UK and acts as the holding company of the Group which provides operational cash management systems for businesses that manage or control money on behalf of others, including those that specialise in superannuation/pension schemes, property management, investment trading and stockbroking, attorney and trustee services for family offices, escrow, and estates. These are complex businesses, often regulated, and required to provide personal attention and precision. Cashfac PLC is authorised in the UK by the Financial Conduct Authority as a Payment Initiation and Account Information Service (Reference no. FRN 805666 at fca.org.uk/register.)

Strategy

Cashfac aims to create value for our shareholders by being the leading client money fintech globally. To this end the group is seeking to grow revenue, particularly annual recurring revenue (ARR), whilst maintaining a high operating margin.

Key elements to this strategy are:

Generation of recurring revenue

Our product is primarily delivered on a Software as a Service (SaaS) model. Typical contracts are for a three year term with an initial fee licence being recognised on signing the contract with the bulk of the contract value being recognised over the term of the contract. Due to the quality of our product which becomes deeply imbedded in clients' operational processes and reliability of our services we have a high retention rate of customers renewing contracts at the end of the term.

The ARR from these contracts is the key to our path to recurring profitability.

Route to market

Our routes to market are both direct sales to corporate customers by our sales team and sales via marketing partners (including banks). A particular focus is developing relationships with Systems Integrators and consultancies to provide access to higher value sales opportunities. Considerable progress has been made in this area but further time needs to be invested in these relationships. We also recognise that to benefit from the market opportunities we have recognised in the USA we will need to develop an onshore US presence.

Continuous Enhancement Program

We continue to invest in the development of our product to enhance its functionality and the potential needs of customers as technology and regulation changes. We are committed to staying at the forefront of technological advancements. Our developers and testers made substantial progress, releasing significant improvements in product performance. The release of our modernised API suite is a major milestone, empowering customers to integrate Cashfac technology into their own platform or build their own user interface, some applying AI to this build process.

Financial resources

We aim to build the business without the need to raise additional capital and our plans are drawn up on the basis that they should be deliverable within the constraints of our current financial resources. Key to this is controlling expenditure. However, we must continue to develop the product and need to increase our sales resources, particularly in the USA. Business development expenditure is necessary to achieve growth in the business but there is a lag between the expenditure and the generation of additional revenue.

Review of the year and key performance indicators
Management considers the Key Performance indicators of the group to be Turnover, ARR, Gross margin and Cash Generation.

		2023	2022	% change
Turnover (£000)		9,030	8,074	12%
ARR (£000)	(1)	8,149	7,363	11%
Gross Margin (%)	(2)	73%	72%	1%
Cash Generation (£000)	(3)	357	(1,693)	121%

Notes
The following are non GAAP measurements
(1) ARR: this is the minimum contracted amount of revenue due within the next financial year based on contracts signed prior to the start of that year.
(2) Gross margin: this is calculated by deducting Total Direct costs from Total Revenue.
(3) Cash generation: this is the cash inflow from operating activities excluding changes in working capital less the capitalised cost of product development.
It can be reconciled to the financial statements as follows:

	2023	2022
Net cash generated from operating activities	1,979	159
Purchase of intangible fixed assets	(1,604)	(1,760)
Taxation charge	(258)	(582)
Corporation tax received	240	490
	357	(1,693)

Following the disappointing sales performance in 2022 it was good to see new contracts being signed in 2023 with a return to growth in turnover and positive cash generation. Contracts were signed with a minimum value over the contract term of around £2.1m contributing significantly to the 11% increase in ARR.
ARR for 2024 currently covers around 90% of our cost base (excluding commissions and bonuses).
Management also looks at certain non-financial performance indicators. Customer retention levels were very satisfactory with 7 new customers and 1 termination with the current average customer contract retention period of 11 years and service availability for our managed services was in excess 99.99%

Principal risks and uncertainties

Failure to win new business in line with plans

Winning new business is central to our growth plans both through the growth of ARR and generation of additional financial resources which we can reinvest in growing the business. The lifetime value of individual contracts can also be significant. Failure to win new contracts would directly impact on our strategic objectives.

Our sales cycle remains long and unpredictable often needing significant investment of time relative to our sales resources with no certainty of closure. The timing of contract signing can also impact on year-on-year growth as it impacts the level of revenue recognised in a given financial year.

These factors collectively represent an unquantifiable risk to our plans.

Key customer risk and churn

We derive a significant proportion of our revenue from a relatively small number of customers. Should such a customer cancel its contract at the end of the contract term it could have a material impact on Cashfac and its prospects. High customer churn rates would adversely impact Cashfac's growth.

We have suffered only one customer loss in the year and continually monitor for cancellation risks.

The risk of customer churn is mitigated by our Continuous Enhancement Programme and the degree to which our system becomes embedded in customers' key operational processes.

Competitive market environment

We consider Cashfac to be a differentiated, market leading product with no directly comparable offerings currently available. We maintain this edge through our significant annual investment in the product under our Continuous Enhancement Program. However, there is the risk that a competitive product may be developed which could have an adverse impact on our ability to deliver our growth plans.

Technology and security risks

A cyber attack, security breach or data loss could significantly impact on our ability to do business and could result in significant financial loss.

Like all businesses Cashfac is exposed to an increasing range of cyber attacks. We continue to address technology and security risks as part of our digital transformation across our corporate and operational infrastructure with more technical services being migrated to the cloud, to improve resilience and mitigate single points of failure associated with traditional networks. Key risks related to legacy in-house corporate infrastructure and recovery capabilities have been significantly reduced as part of the transformation, enabling us to successfully retain our ISO27001 certification for its 13th year. Our ISO27001 certified information security management system was expanded in the last 12 months to include a separate assessment of our cyber risks under the Cyber Essentials program. This program is run by the UK National Cyber Security Centre. As part of the mitigating measures to reduce cyber risks, we are focussing on our access control measures and expect to implement within the next 12 months, a comprehensive privilege access management program, as recommended under the Cyber Essentials assessment.

Wider Economic Environment

The global macro-environment remains uncertain with the possibility of recession in many developed economies together with the geo-political uncertainty from the on-going war in Ukraine and the Middle east. Such factors may impact on the willingness of potential customers to invest in our services. However, the return to a more normal interest rate environment after a decade of near zero or negative rates should be positive for the take up of our product as deposits once again prove attractive to commercial banks.

Sustainability & ESG

In the last year, we launched a new sustainability initiative, mapping our existing corporate and social responsibilities in Environmental, Social and Governance to the United Nations Sustainability Development Goals (SDGs). The SDGs are a blueprint to achieve a better and more sustainable future for all. Our sustainability objectives are focused on the following key areas where we can make the most difference:

Employee Wellbeing – We shall continue to deliver our holistic Wellbeing Program that meets the needs of the business and provides support for our staff.

Fighting climate change – We shall continue to adopt and incorporate good environmental practices and always seek to reduce any negative environmental impact and contribute towards a healthier environment.

Fair treatment of vulnerable persons – As a business, the fair treatment of vulnerable people and financial inclusion remains a key priority for regulators both in the UK and globally. We have a long history of supporting these communities, working closely with our partners and their clients, taking into consideration the needs and requirements of those vulnerable customers and remain committed in ensuring our solutions, products and distribution methods continue to meet the high standards expected.

Equal opportunities – we aim to treat everyone fairly and equally and have an inclusive workforce offering employment opportunities to all members of the community. Our key objectives and employee benefits include enhanced maternity and paternity leave, adoption leave, tax-free childcare schemes, increased representation of people from minority groups and equality & diversity training.

Human Rights – We will always conduct business with integrity and respect to human rights. We will continue to promote maintaining high standards amongst our suppliers and oppose the exploitation of any workers. We will not tolerate forced labour, human trafficking, the exploitation of children and young people or labour which involves harassment or intimidation of any kind.

Section 172 disclosures

The Group's Board (the "Board") is responsible for promoting the success of the Group by directing and supervising the Group's affairs, including setting the Group's risk appetite and establishing operating controls to assess and manage risk. Cashfac's Board consists of the Chairman and two other independent Non- Executive Directors and one Executive Director, all with relevant experience in the Financial Services industry, Accounting, Business and Technology. The Board delegates risk management to the Executive Committee which in turn delegates operational management to appropriately qualified managers.

This statement should be read in conjunction with the Strategic report.

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to have regard to the interests of the Group's employees and all stakeholders, including, shareholders, customers, suppliers and regulators and the impact of its activities on the community, the environment and the Group's reputation, when making decisions.

The matters set out in section 172(1) (a) to (f) are:

a. the likely consequences of any decision in the long term;
b. the interests of and engagement with the company's employees;
c. the need to foster the company's business relationships with suppliers, customers, and others;
d. the impact of the company's operations on the community and the environment;
e. the desirability of the company maintaining a reputation for high standards of business conduct; and
f. the need to act fairly between members of the company.

2023 saw a return to net cash generation. This improvement in financial performance enabled the Group to continue investing in people, product, training, and expertise.

The Board sets and communicates the core values of the Group and ensures all staff behaviour is consistent with those values and expectations. The Board supports the maintenance of a Personal and Professional Development Programme in an environment where everyone can develop to their full potential, alongside the Health & Wellbeing Programme to make sure that all staff feel valued, supported, and have the right resources to help when needed. At the beginning of 2023, we extended our Training and Competency Programme, adopting the Skills for the Information Age (SFIA) framework.

The Board ensures that its remuneration policies continue to be benchmarked against industry standards to reduce the risk arising from staff attrition, unethical behaviour and practice, unnecessary risk taking and conflicts of interests.

The Board remains committed to the Company's established framework for governance and risk management. The Board continued its support for maintaining operational resilience and risk management to monitor and respond promptly to emerging threats including Cybersecurity, Major Incident Management, Terrorism or Political unrest, by increased investment in third party tools, automation, expert services, and supplier diversification and by actively monitoring specialist news services and other channels of communication.

The Board is committed to doing business in a sustainable and responsible way by following its formal ESG framework. This sets out how corporate and social responsibilities are aligned to the United Nations Sustainability development goals.

The Board supports the fair treatment of suppliers and customers. As consumer outcomes remain a key priority for regulators, the Board and staff remain committed to enhancing the customer experience and taking into consideration the requirements of vulnerable customers. During 2023 the GRC Committee worked closely with all stakeholders across the business to implement Consumer Duty, monitoring risks and advising the Board accordingly.

In the interest of maintaining the cash resources of the business, the Directors did not support the payment of an interim dividend. The Directors continue to promote the success of the Group and are committed to high standards of governance, risk, and compliance by overseeing the business in a fair, ethical and responsible manner.

On behalf of the board

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P W Ormrod
Director

Date: 19th February 2024

The directors present their annual report and financial statements for the year ended 30 September 2023.

Principal activities

Cashfac Plc is the holding company for the main operating company, Cashfac Initiative Limited, and for the Australian subsidiary, Cashfac Pty Limited. The principal activities of the group are the development, sale, operation and maintenance of operational cash management and client money systems that enable financial service and professional businesses to manage client cash operations more efficiently and to comply with stringent regulations over client money operations.

Results and dividends

The loss for the year after taxation amounted to £124,159 (2022: loss £1,519,340).

No ordinary dividends were paid (2022: £nil). The directors do not recommend payment of a further dividend. The business is financed wholly by equity and reserves.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Houghton (Chairman)	137,734 shares (2022: 137,734 shares)
A P Blair	38,000 shares (2022: 38,000 shares)
J Jeng	Nil shares (2022: Nil shares)
P W Ormrod	1,578,812 shares (2022: 1,578,812 shares)

Directors' share options

The directors had options to subscribe for ordinary shares in Cashfac PLC as follows:

	Option price	At 1 October 2022	Cancelled during the year	Exercised during the year	Granted during the year	At 30 September 2023
	£	£	£	£	£	£
P Ormrod	1.54	25,000	-	-	-	25,000
R Cummings	1.54	350,000	(350,000)	-	-	-
D Houghton	1.54	55,000	-	-	-	55,000
P Ormrod	1.24	30,000	-	-	-	30,000
A Blair	1.24	10,000	-	-	-	10,000

Going concern

The Directors have reviewed the Group's budgets and cash flow forecasts, which include assumptions surrounding future revenue generation, the associated timing of cash receipts, expenditure, and the receipt of corporation tax payments. The Board has considered these forecasts, the relevant sensitivity of future finances and the current cash position of the Group. The Board remains confident that the Group will meet its obligations as they arise for the next 12 months from the date of signing of the financial statements. The Board has also considered a possible scenario of significant decline in revenue in the foreseeable future such that it might impact the continued operation of the Group and consider the possibility of such a scenario to be remote. The Board is therefore satisfied that the Group has adequate resources available to it and will continue as a going concern, and accordingly the financial statements have been prepared on that basis.

Post balance sheet events
There has been no significant events affecting the company since the year end.

Statement of directors' responsibilities
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). 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor
Moore Kingston Smith LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

P W Ormrod
Director

Date: 19th February 2024

Independent Auditor's Report

To the Members of Cashfac PLC

Opinion

We have audited the financial statements of Cashfac PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2023 which comprise the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including 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 group's and the parent company's affairs as at 30 September 2023 and of the group's 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent 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 group's and parent 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 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 group's and parent 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 group or parent 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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of noncompliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 for no purpose other than to draw to the attention of the company's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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.

Moore Kingston Smith LLP

Ryan Day
Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP

Date: 19 February 2024

Chartered Accountants
Statutory Auditor

Cashfac PLC

Group Statement of Comprehensive Income

For the year ended 30 September 2023

	Notes	2023 £	2022 £
Turnover	3	9,029,949	8,074,149
Administrative expenses		(9,433,651)	(10,178,969)
Operating loss	4	(403,702)	(2,104,820)
Interest receivable and similar income	8	25,251	7,140
Interest payable and similar expenses	9	(3,658)	(4,120)
Loss before taxation		(382,109)	(2,101,800)
Tax on loss	10	257,950	582,460
Loss for the financial year	23	(124,159)	(1,519,340)
Other comprehensive income			
Currency translation gain/(loss) taken to retained earnings		1,595	(5,072)
Total comprehensive income for the year		(122,564)	(1,524,412)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The notes on pages 18 to 35 form part of these financial statements.

Cashfac PLC

Group Balance Sheet

As at 30 September 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	**11**		5,728,223		6,415,470
Tangible assets	**12**		15,058		35,477
			5,743,281		6,450,947
Current assets					
Debtors	**15**	2,767,109		2,658,721	
Cash at bank and in hand		2,392,023		1,460,726	
		5,159,132		4,119,447	
Creditors: amounts falling due within one year	**16**	(3,483,811)		(2,891,701)	
Net current assets			1,675,321		1,227,746
Total assets less current liabilities			7,418,602		7,678,693
Provisions for liabilities					
Deferred tax liability	**17**	(1,256,034)		(1,400,040)	
			(1,256,034)		(1,400,040)
Net assets			6,162,568		6,278,653
Capital and reserves					
Called up share capital	**20**		1,069,989		1,069,989
Share premium account	**21**		857,161		857,161
Other reserves			278,452		395,797
Profit and loss reserves	**23**		3,956,966		3,955,706
Total equity			6,162,568		6,278,653

The notes on pages 18 to 35 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 19th February 2024 and are signed on its behalf by:

P W Ormrod
Director

Cashfac PLC

Company Balance Sheet

As at 30 September 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investments	13		4,751,897		4,746,028
Current assets					
Debtors	15	499,810		500,000	
Cash at bank and in hand		20,328		20,116	
		520,138		520,116	
Creditors: amounts falling due within one year	16	(2,005,186)		(2,005,474)	
Net current liabilities			(1,485,048)		(1,485,358)
Net assets			3,266,849		3,260,670
Capital and reserves					
Called up share capital	20		1,069,989		1,069,989
Share premium account	21		857,161		857,161
Other reserves			299,599		416,944
Profit and loss reserves	23		1,040,100		916,576
Total equity			3,266,849		3,260,670

The notes on pages 18 to 35 form part of these financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £300 (2022 - £16,640 profit).

The financial statements were approved by the board of directors and authorised for issue on 19th February 2024 and are signed on its behalf by:

P W Ormrod
Director

Company Registration No. 03781239 (England and Wales)

Cashfac PLC

Group Statement of Changes in Equity

For the year ended 30 September 2023

	Notes	Share capital £	Share premium account £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 October 2021		1,068,448	839,592	405,658	5,480,118	7,793,816
Year ended 30 September 2022:						
Loss for the year		-	-	-	(1,519,340)	(1,519,340)
Other comprehensive income:						
Currency translation differences		-	-	-	(5,072)	(5,072)
Total comprehensive income for the year		-	-	-	(1,524,412)	(1,524,412)
Issue of share capital	20	1,541	-	-	-	1,541
Other movements		-	17,569	(9,861)	-	7,708
Balance at 30 September 2022		1,069,989	857,161	395,797	3,955,706	6,278,653
Year ended 30 September 2023:						
Loss for the year		-	-	-	(124,159)	(124,159)
Other comprehensive income:						
Currency translation differences		-	-	-	1,595	1,595
Total comprehensive income for the year		-	-	-	(122,564)	(122,564)
Share options lapsed		-	-	(123,824)	123,824	-
Share option charge		-	-	6,479	-	6,479
Balance at 30 September 2023		1,069,989	857,161	278,452	3,956,966	6,162,568

The notes on pages 18 to 35 form part of these financial statements.

Cashfac PLC

Company Statement of Changes in Equity

For the year ended 30 September 2023

	Notes	Share capital £	Share premium account £	Share option reserve £	Profit and loss reserves £	Total £
Balance at 1 October 2021		1,068,448	839,592	426,805	899,936	3,234,781
Year ended 30 September 2022:						
Profit and total comprehensive income for the year		-	-	-	16,640	16,640
Issue of share capital	**20**	1,541	-	-	-	1,541
Other movements		-	17,569	(9,861)	-	7,708
Balance at 30 September 2022		1,069,989	857,161	416,944	916,576	3,260,670
Year ended 30 September 2023:						
Loss and total comprehensive income for the year		-	-	-	(300)	(300)
Share options lapsed		-	-	(123,824)	123,824	-
Share option movement		-	-	6,479	-	6,479
Balance at 30 September 2023		1,069,989	857,161	299,599	1,040,100	3,266,849

The notes on pages 18 to 35 form part of these financial statements.

Cashfac PLC

Group Statement of Cash Flows

For the year ended 30 September 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	**26**		1,997,517		405,126
Interest paid			(3,658)		(4,120)
Income taxes refunded/(paid)			514,197		(238,298)
Net cash inflow from operating activities			2,508,056		162,708
Investing activities					
Purchase of intangible assets		(1,603,605)		(1,760,236)	
Interest received		25,251		7,140	
Net cash used in investing activities			(1,578,354)		(1,753,096)
Financing activities					
Proceeds from issue of shares		-		1,541	
Net cash (used in)/generated from financing activities			-		1,541
Net increase/(decrease) in cash and cash equivalents			929,702		(1,588,847)
Cash and cash equivalents at beginning of year			1,460,726		3,054,645
Effect of foreign exchange rates			1,595		(5,072)
Cash and cash equivalents at end of year			2,392,023		1,460,726

The notes on pages 18 to 35 form part of these financial statements.

1 Accounting policies

Company information

Cashfac PLC ("the company") is a public limited company domiciled and incorporated in England and Wales. The registered office is Monument House, 18 King William Street, London, EC4N 7BP.

The group consists of Cashfac PLC and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Cashfac PLC together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 September 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.3 Going concern

The directors have reviewed the group's budgets and cash flow forecasts, which include assumptions surrounding future revenue generation, the associated timing of cash receipts, expenditure, and the receipt of corporation tax payments. The Board has considered these forecasts, the relevant sensitivity of future finances and the current cash position of the company. The Board remains confident that the company will meet its obligations as they arise for the next 12 months from the date of signing of the financial statements. The Board has also considered a scenario of significant decline in revenue in the foreseeable future such that it might impact the continued operation of the group and consider the possibility of such a scenario to be remote. The Board is therefore satisfied that the company has adequate resources available to it and will continue as a going concern, and accordingly the financial statements have been prepared on that basis.

1 Accounting policies **(Continued)**

1.4 Turnover

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes.

Revenue from software services and the provision of general services is recognised over the period in which the service is provided.

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

The revenue generated from delivering Software as a Service (SaaS) sees recognition of an initial fee license on the signing of the contract in relation to the year 1 of the license term. The license fee charged for future years is recognised upon billing for the service on each anniversary of the license term.

Continued development of products to meet changing customer requirements and changes in the market contribute to our Continuous Enhancement Programme. The revenue attributable to the Continuous Enhancement Programme is deemed to equate to 20% of the license fee charged in year 1 and is spread over this period. This is a significant estimate made by the Directors.

1.5 Research and development expenditure

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related product.

1.6 Intangible fixed assets other than goodwill

Capitalised amounts are based on the cost of time spent developing the product for ongoing projects and new projects started in the year that feed into the research and development.

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.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	20% on a straight line basis

1.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditures 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.

1 Accounting policies **(Continued)**

Depreciation is charged so as to allocated the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Leasehold improvements	25% per annum
Fixtures and fittings	25% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Computer equipment under the cost of £5,000 is not capitalised and is presented within the profit and loss statement as the equipment is not seen as having an impactful contribution to future economic benefit.

1.8 Fixed asset investments

Investments are stated at cost less any provision for impairment.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies **(Continued)**

1.10 Cash and cash equivalents

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

The company has a 95 Day notice account and this has been treated as cash because it is a highly liquid account readily convertible to known amounts of cash with insignificant risk of change in value.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

The expense in relation to options over the parent company's shares granted to employees of a subsidiary is recognised by the company as a capital contribution, and presented as an increase in the company's investment in that subsidiary.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1 Accounting policies (Continued)

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

2 Judgements and key sources of estimation uncertainty

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

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

The Group grants share options to its employees. Significant judgements are made in respect of key assumptions included in the Black-Scholes model used to calculate the fair value of these share options. The company has used a set of comparable companies to calculate the volatility and assumed an exercise period of three years. This is in line with the strategic plans of the company. Additionally, a weighted average share price over 3 years has been used as an input in the model.

The Company recognises deferred tax asset on taxable losses to the extent that it is probable that future taxable profits can offset these. Judgements are made in assessing the recoverable amount of the deferred tax asset recognised.

The company capitalise the development of internal projects on the basis that they bring future economic benefits. Qualifying expenditure is attributed from payroll costs and itemised IT costs which involve management estimating the percentage of time and costs involved in the development phase. Judgements are made when assessing the useful economic life of intangible assets capitalised, which has been justified based on customers average retention. An annual impairment review is conducted using a Discounted Cash Flow to arrive at Net Present Value of the single asset. The Discounted Cash Flow requires the entity to estimate future cash flows and a range of discount rates (12.5% - 20%) have been used. The directors have built in a perpetuity value to this model based on the average customer contract retention period of eleven years. See note 10 for the carrying amount of the intangible asset and note 1.5 for the useful economic life.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Licence fees	578,821	64,015
Implementation	732,766	681,673
Maintenance and support fees	7,705,401	7,299,206
Other	12,961	29,255
	9,029,949	8,074,149

3 Turnover and other revenue (Continued)

	2023	2022
	£	£
Turnover analysed by geographical market		
UK	7,951,991	7,188,133
APAC	428,976	356,779
US	648,982	529,237
	9,029,949	8,074,149

	2023	2022
	£	£
Other revenue		
Interest income	25,251	7,140

4 Operating loss

	2023	2022
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange losses/(gains)	58,061	(16,300)
Depreciation of owned tangible fixed assets	20,419	11,826
Amortisation of intangible assets	2,290,852	2,318,600
Share-based payments	6,479	8,312
Operating lease charges	192,326	172,965

5 Auditor's remuneration

	2023	2022
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	17,500	15,400
Audit of the financial statements of the company's subsidiaries	35,000	29,700
Accounts production services for the group	8,800	6,600
	61,300	51,700

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Development and managed services	43	43	-	-
Sales and consultancy	12	17	-	-
Administration	12	12	-	-
Total	67	72	-	-

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	4,992,716	5,441,341	-	-
Social security costs	531,559	602,532	-	-
Pension costs	116,136	123,251	-	-
	5,640,411	6,167,124	-	-

Wages and salaries included £1,210,775 (2022: £1,294,878) of capitalised developers salaries.

The company has nil employees other than the non-executive directors (2022: nil).

7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	296,497	590,942
Company pension contributions to defined contribution schemes	7,500	14,298
	303,997	605,240

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2022 - 2).

7 Directors' remuneration (Continued)

The highest paid director received remuneraton of:

	2023	2022
	£	£
Remuneration for qualifying services	252,498	280,595
Company pension contributions to defined contribution schemes	7,500	8,400

The number of directors who were remunerated, including non-executive directors were 4 (2022: 5).

8 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Interest on bank deposits	25,251	7,140

9 Interest payable and similar expenses

	2023	2022
	£	£
Bank charges	3,658	4,120

10 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	(239,412)	(444,417)
Adjustments in respect of prior periods	(69,962)	(45,992)
Total current tax	(309,374)	(490,409)
Deferred tax		
Origination and reversal of timing differences	51,424	(92,051)
Total tax credit	(257,950)	(582,460)

10 Taxation (Continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Loss before taxation	(382,109)	(2,101,800)
Expected tax credit based on the standard rate of corporation tax in the UK of 22.01% (2022: 19.00%)	(84,102)	(399,342)
Tax effect of expenses that are not deductible in determining taxable profit	697	20,887
Gains not taxable	(504)	-
Change in unrecognised deferred tax assets	183,606	84,887
Adjustments in respect of prior years	(69,962)	(45,992)
Effect of change in corporation tax rate	(18,054)	(27,406)
Group relief	134	-
Research and development tax credit	(259,488)	(204,630)
Other permanent differences	366	213
Effect of overseas tax rates	(10,643)	-
Deferred tax adjustments in respect of prior years	-	22,141
Foreign exchange differences	-	(33,218)
Taxation credit	(257,950)	(582,460)

11 Intangible fixed assets

Group	Development costs £
Cost	
At 1 October 2022	19,608,552
Additions	1,603,605
At 30 September 2023	21,212,157
Amortisation and impairment	
At 1 October 2022	13,193,082
Amortisation charged for the year	2,290,852
At 30 September 2023	15,483,934
Carrying amount	
At 30 September 2023	5,728,223
At 30 September 2022	6,415,470

11 Intangible fixed assets (Continued)

The company had no intangible fixed assets at 30 September 2023 or 30 September 2022.

12 Tangible fixed assets

Group	Leasehold improvements	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 October 2022	336,432	151,367	487,799
Disposals	(221,259)	-	(221,259)
At 30 September 2023	115,173	151,367	266,540
Depreciation and impairment			
At 1 October 2022	309,353	142,969	452,322
Depreciation charged in the year	12,021	8,398	20,419
Eliminated in respect of disposals	(221,259)	-	(221,259)
At 30 September 2023	100,115	151,367	251,482
Carrying amount			
At 30 September 2023	15,058	-	15,058
At 30 September 2022	27,079	8,398	35,477

The company had no tangible fixed assets at 30 September 2023 or 30 September 2022.

13 Fixed asset investments

		Group		Company	
		2023	2022	2023	2022
	Notes	£	£	£	£
Investments in subsidiaries	14	-	-	4,751,897	4,746,028

13 Fixed asset investments (Continued)

Movements in fixed asset investments
Company

	Shares in subsidiaries £
Cost or valuation	
At 1 October 2022	4,746,028
Additions	5,869
At 30 September 2023	4,751,897
Carrying amount	
At 30 September 2023	4,751,897
At 30 September 2022	4,746,028

14 Subsidiaries

Details of the company's subsidiaries at 30 September 2023 are as follows:

Name of undertaking	Registered office	Principal activity	Class of shares held	% Held Direct
Cashfac Initiative Limited	18 King William Street, London, EC4N 7BP	Development, sales, administration and maintenance of cash management systems.	Ordinary	100
Cashfac Technologies Limited	18 King William Street, London, EC4N 7BP	Non-trading subsidiary	Ordinary	100
Whentopay Limited	18 King William Street, London, EC4N 7BP	Non-trading subsidiary	Ordinary	100
Cashfac Solutions Limited	18 King William Street, London, EC4N 7BP	Non-trading subsidiary	Ordinary	100
Cashfac Pty Ltd	PO Box 839, Bendigo, VIC 3552, Australia	Sales and maintanence of cash management systems	Ordinary	100

Cashfac Solutions Limited is exempt from the requirements to the audit of individual accounts by virtue of the Companies Act 2006 s.479AA. The parent company has given a guarantee under section 479C of the Companies Act 2006 in respect of the financial period presented in these financial statements.

15 Debtors

	Group 2023	2022	Company 2023	2022
Amounts falling due within one year:	**£**	**£**	**£**	**£**
Trade debtors	1,274,667	816,314	-	-
Corporation tax recoverable	238,884	443,707	-	-
Amounts owed by group undertakings	-	-	499,810	500,000
Prepayments and accrued income	1,163,988	1,113,700	-	-
	2,677,539	2,373,721	499,810	500,000
Amounts falling due after more than one year:				
Deferred tax asset (note 17)	89,570	285,000	-	-
Total debtors	2,767,109	2,658,721	499,810	500,000

16 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Trade creditors		277,004	225,513	-	-
Amounts owed to group undertakings		-	-	2,005,150	2,005,448
Other taxation and social security		320,738	255,455	-	-
Deferred income	18	2,408,072	2,068,683	-	-
Accruals and deferred income		477,997	342,050	36	26
		3,483,811	2,891,701	2,005,186	2,005,474

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2023 £	Liabilities 2022 £	Assets 2023 £	Assets 2022 £
Deferred tax	1,256,034	1,400,040	89,570	285,000

The company has no deferred tax assets or liabilities.

17 Deferred taxation

(Continued)

Movements in the year:	Group 2023 £	Company 2023 £
Liability at 1 October 2022	1,115,040	-
Charge to profit or loss	51,424	-
Liability at 30 September 2023	1,166,464	-

18 Deferred income

	Group 2023 £	2022 £	Company 2023 £	2022 £
Other deferred income	2,408,072	2,068,683	-	-

19 Retirement benefit schemes

Defined contribution schemes	2023 £	2022 £
Charge to profit or loss in respect of defined contribution schemes	116,136	123,251

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

20 Share capital

Ordinary share capital	2023 Number	2022 Number	2023 £	2022 £
Issued and not fully paid				
Ordinary shares of 10p each	10,699,890	10,699,890	1,069,989	1,069,989

20 Share capital (Continued)

The rights attached to ordinary shares are to receive notice of, attend and vote at any general meeting of the company. They have a right to receive dividends pari passu with all other ordinary shares in the company after payment of any dividends payable to holders of the redeemable preference shares.

The rights attaching to the redeemable preference shares are:

- The shares carry a fixed non-cumulative preferential dividend at the rate of 0.01% per annum which is payable in the event that there are sufficient profits available for distribution.
- The redeemable preference shares, owned by the parent company Cashfac Plc, became redeemable at par in tranches of 5,000 shares per month from 31 January 1995 (unless there are insufficient distributable reserves available). In addition, the company has the right to redeem the shares on giving 30 days' notice in writing. No premium is payable on redemption.
- In the event of a winding up the redeemable preference shares have priority over ordinary shares in the distribution of assets.
- The holders of the redeemable preference shares have the right to receive notice of, but not to attend or vote at, any general meeting of the company other than in certain specified circumstances. The preference shares are included in long term liabilities - see note 18.

Share Options:

- Employee share option scheme: Cashfac PLC operates an employee SAYE share option scheme under which options are granted to eligible employees of the company. No options exercised in the year (2022: 15,411).
- Other Options: Options have been granted under both approved and unapproved share option schemes in Cashfac plc. Nil options were exercised in the year (2022: Nil).

	2023 Number	2023 WEAP	2022 Number	2022 WEAP
Outstanding at prior year end date	1,020,494	1.38	1,132,522	1.38
Expired during the year	6,480	1.00	6,120	1.00
Expired during the year	2,181	1.00	6,543	1.00
Expired during the year	17,000	1.24	58,000	1.24
Exercised during the year	-	1.24	15,411	1.24
Expired during the year	-	1.24	25,954	1.24
Expired during the year	187,663	1.54	-	
Expired during the year	172,337	1.54	-	
Outstanding at current year end date	634,833	1.33	1,020,494	1.38

The Share Options outstanding at the end of the year including the grant date, maturity dates and exercise price are detailed below:

Grant Date	Maturity Date	Exercise Price	Total no. of Options
Feb-19	Feb-24	1.54	154,349
Feb-19	Feb-24	1.54	55,000
Jun-19	Jun-26	1.24	357,000
Jul-19	Jun-26	1.24	18,000
Jun-21	Jul-24	1.00	41,760
Jun-21	Jul-24	1.00	8,724

21 Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

22 Share option reserve

Share option reserve (other reserves) represents the fair value of the equity share options issued.

23 Profit and loss reserves

Includes all current and prior period retained profits and losses.

24 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Within one year	148,660	153,064	-	-
Between two and five years	141,728	179,181	-	-
	290,388	332,245	-	-

25 Related party transactions

During the year the company owed £nil (2022: £8,200) to directors for expenses incurred but not claimed. These amounts are included in accruals. Remuneration to key management personnel is disclosed as part of directors remuneration in note 8. The entity's transactions are with wholly owned subsidiaries and have not been disclosed as the company is exempt under FRS 102.

26 Cash generated from group operations

	2023	2022
	£	£
Loss for the year after tax	(124,159)	(1,519,340)
Adjustments for:		
Taxation credited	(257,950)	(582,460)
Finance costs	3,658	4,120
Investment income	(25,251)	(7,140)
Amortisation and impairment of intangible assets	2,290,852	2,318,600
Depreciation and impairment of tangible fixed assets	20,419	11,826
Equity settled share based payment expense	6,479	7,708
Movements in working capital:		
(Increase)/decrease in debtors	(508,641)	462,995
Increase/(decrease) in creditors	252,721	(551,745)
Increase in deferred income	339,389	260,562
Cash generated from operations	1,997,517	405,126

27 Analysis of changes in net funds - group

	1 October 2022	Cash flows	Exchange rate movements	30 September 2023
	£	£	£	£
Cash at bank and in hand	1,460,726	929,702	1,595	2,392,023