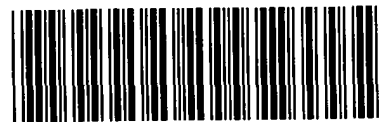


COMPANY REGISTRATION NUMBER: 09952199

Plum Fintech Limited
Financial Statements
31 March 2021

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Plum Fintech Limited

Financial Statements

Year ended 31 March 2021

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Plum Fintech Limited

Strategic Report

Year ended 31 March 2021

The board of directors

S Beloberk
V Trokoudes

Registered office

2-7 Clerkenwell Green
2nd Floor
London
England
EC1R 0DE

Auditor

Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
United Kingdom
WC2H 7DQ

Plum Fintech Limited

Strategic Report *(continued)*

Year ended 31 March 2021

Introduction

Plum Fintech Limited ("Plum") operates a UK-based savings and money management app, enabling its customers to automatically save, earn interest on those savings and invest.

Plum developed its own technology to enable its services including Savings AI, OpenBanking powered account aggregation as well as many consumer facing features through an iOS and Android mobile app. Plum has also built strong foundations of its recommendation engine, seeing good results in the domain of helping customers identify opportunities of cost savings in their energy bills. Plum has continued to strive to identify customers' unique profile behaviours and experiment with methodologies that could give actionable insights aimed at providing users with the best personalised experience relative to their financial situation.

Plum Fintech Limited is registered with the Financial Conduct Authority (FCA) as an Account Information Service Provider (AISP), firm reference number 836158. In addition, the firm is authorised by the FCA as an electronic money agent of PayrNet Limited, firm reference number 902844.

Business review

2020/2021 was a challenging period for the world economy, mainly due to the impact of COVID-19. It caused a significant shift in people's incomes, financial attitudes, and priorities. People became more aware of the need for a financial safety net, and although incomes were affected, most UK consumers did increase their savings significantly. This had a positive impact for Plum, with lifetime registered customer numbers at year end being 1.6 million (2020: 0.4 m). The company has seen 483% growth in assets under management year-on-year since April 2020, reflecting the boom in savings and investing during the Covid-19 pandemic.

Subscribers have been increasing at a steady pace and at year end the number of subscribers rose to 165,416 (2020: 35,352). The number of customers subscribing to a paid tier (Plus and Pro) has more than quadrupled in the past year, resulting in revenue being up 758% year-on-year. This increase in revenue has been fuelled by the development of subscription-only features designed to help customers be better off over time. Major launches included the Money Maximiser, an automated money manager that shifts money between saving and spending to control budgets while maximising interest. The company also launched a Plum pension, where customers can consolidate their existing pensions in one place at a low cost and set money aside continuously for their retirement alongside their regular savings. Sustainability has continued to be a key focus for the company with the launch of the new 'Plum Ultra' subscription tier in May 2021. Increasing numbers of customers are trusting Plum to help them grow their money even faster with extra features and rules as part of the company's three subscription tiers.

Elsewhere in the product, Plum expanded its offering of mutual funds with new ESG options, and has relaunched its in-app marketplace for switching bills. Likewise, Plum has also recently partnered with the online life insurance, income protection, and critical illness cover broker Anorak to bring long-term support to millennial savers on their financial journey. In July 2020 the business secured £7 million in additional funding from existing shareholders and the Future Fund in the form of a Convertible Loan.

Principal risks and uncertainties

Strategic Risks

Plum defines Strategic Risk as all events that disprove Plum's main business assumptions and threaten the company's business model and strategy - Plum's strategy is set out and overseen by the Board.

Plum Fintech Limited

Strategic Report *(continued)*

Year ended 31 March 2021

Capital and Funding Risk

Capital Risk is the Risk that Plum does not have sufficient capital to perform its business activities. In order to meet the regulatory capital requirements under the Regulations Plum's Finance and Compliance department monitors the capital adequacy on a daily basis and takes actions when there are any indicators of falling below.

Funding Risk is the Risk that Plum does not have sufficient sources of funding to meet its obligations. Plum's funding position is managed by the Finance department using early warning indicators and forecasts in order to assess the financing needs of the company.

Plum expects to have in the future sufficient capital and funding to be able to support its capital requirements and to meet its business objectives.

Financial Crime Risk

As a customer-facing company Plum needs to comply with all applicable regulations. One of the major risks is coming from the significant volume of transactions and the embedded risk of criminal activity and any losses related to it. To mitigate this risk Plum has robust Know-your-customer and Anti-Money-Laundering policies, monitors customers and transactions regularly. Plum uses a combination of the third-party software and in-house tools to manage all Financial crime and AML processes.

Operational Risk

As a financial technology company, Plum relies on its people, operational infrastructure and technology. There is an inherent risk of failure of any of those resources. In order to mitigate this risk and as required by FCA, Plum has a Business Continuation Policy in place that is being reviewed regularly and has robust real time incident management protocols in place to deal with any issues quickly and effectively as they arise.

Third Party Risk

In order to provide its services, Plum will work with a set of regulated financial institutions which provide services to Plum users. These daily operations include aggregation, transactions, compliance, KYC, e-wallet provider and other important servicers. Failure in their systems and/or processes can impact Plum negatively. Plum monitors real time the performance of its service providers which allows for immediate actions to be taken in case of any disruptions.

Cyber and Data Security Risk

Plum continuously evaluates its security risks, processes and practices and has adopted a number of measures to lower the likelihood and impact of these risks. These include continuous infrastructure and network scanning, security and phishing training for all staff, pen-testing of the application and APIs, and hardening of underlying infrastructure in line with best practices.

Going concern

The financial statements have been prepared on a going concern basis, as management believes that the Company will be able to meet its liabilities as and when they fall over the next 12 months from the date of signing of these financial statements. The directors will continue to meet their regulatory and fiduciary obligations in respect of the Company, along with taking all necessary management steps and decisions to ensure that all financial commitments can be met when they fall due in the current economic environment (also considering the COVID-19 macro-economic climate).

Plum Fintech Limited

Strategic Report *(continued)*

Year ended 31 March 2021

However, the directors recognise that there is material uncertainty that exists when operating in a high growth technology sector, where raising further capital is essential to meeting the Company's liabilities as they fall due.

At the date of writing this report, and after raising £17m in a Series A funding round between October and December 2021, the company is in a net Assets position with a significant cash balance. Therefore the directors are confident that the Company will continue to meet its liabilities as they fall due.

The company is also planning to expand its product offerings by launching new features, including a US stock investing product and debit card offering from mid April 2022. Users will also get access to EU and UK stocks and crypto assets later in 2022.

S172 of the Companies Act 2006

The directors are aware of their duty to comply with s172 of the Companies Act 2006 and have a duty to promote the success of the company. The directors meet on a minimum quarterly basis to review the performance of the business, the product road map and the financial performance of the company. They discuss market conditions which could have a impact of the performance of the company, strategic partnerships and any funding that may be required in the future.

All decisions made by the directors consider the long-term consequences they may have on the business, its activities, the company's employees and relationships with all other stakeholders. All decisions are made in good faith and intend to maintain high standards of business conduct and maintain a good reputation. The Chief Executive Officer updates the shareholders on a quarterly basis through the Plum Platform, including new initiatives within the business, new landmark partnerships and deals and product updates.

The company maintains a good relationship with its customers and suppliers. We believe customer satisfaction is paramount in running a good business and would also not be possible without good supplier relationships.

Employees

Our people are at the heart of our business, supporting our users and working on new products and services every day. We want our people to feel engaged and empowered to deliver great outcomes for our users, to feel that Plum is a great place to work and to be healthier and happier themselves.

In addition, to aiming to be a responsible employer in our approach to pay and benefits, we continue to engage with our team to ascertain which training and development opportunities should be made available to improve our team's productivity and our individual employees' potential within the business via regular surveys and team meetings. We continually invest in employee development and wellbeing to create and encourage an inclusive culture within the organisation.

Our culture invites different perspectives, new ideas and opportunities for growth. We work hard to ensure employees feel welcome and are valued and recognized for their hard work. The monthly 'All hands' give all members of the company the opportunity to present ideas and achievements to all staff including Senior Leadership. The aim of these meetings is to update the team on the performance of the company and progress against strategy.

Plum Fintech Limited

Strategic Report *(continued)*

Year ended 31 March 2021

Users

Users are at the centre of our business.

Our client success team are committed to responding in a timely manner to the user's questions and provide meaningful responses.

We regularly hold interviews/surveys with our users to obtain insights and assess how we can improve our offerings to serve the needs and requests of our numerous users. In addition, we have implemented a range of tools to allow us to monitor, assess and improve the level of support to our users. This will allow us to enhance our communication and interaction with users giving them the best possible service.

Suppliers

We work with a wide range of suppliers both in the UK and globally. We remain committed to being fair and transparent in our dealings with all of our suppliers.

The Partnerships & Strategy team have the oversight of the appointment and provision of services by suppliers, including initial and ongoing due diligence. This team updates the Board on a regular basis.

The Company has procedures requiring due diligence of suppliers as to their internal governance, including for example, their anti-bribery and corruption practices, data protection policies and modern slavery matters.

The Company has systems and processes in place to ensure suppliers are paid in a timely manner.

Community and Environment

The Board's approach to social responsibility, Diversity & the community is of high importance.

At Plum, we strive to create sustainable value and help users seek more meaningful returns by introducing two new ESG (Ethical, Social and Governance) offerings, the 'Balanced Ethical' and 'Growth Ethical' ESG funds. Corporate social responsibility principles are part of our culture and decision-making process.

The Board will continue to commit and broaden the company's work and associations with charitable organisations and support events promoting inclusion and diversity.

Regulators

We work with our regulators and the government in an open and proactive manner to help develop regulations that meet the needs of all our stakeholders.

We have a risk and control framework to ensure that the Company complies with all legal and regulatory requirements relating to the provision of products and services to our users.

Plum Fintech Limited

Strategic Report *(continued)*

Year ended 31 March 2021

25/4/2022

This report was approved by the board of directors on and signed on behalf of the board by:

Victor Trokoudes

V Trokoudes
Director

Registered office:
2-7 Clerkenwell Green
2nd Floor
London
England
EC1R 0DE

Plum Fintech Limited

Directors' Report

Year ended 31 March 2021

The directors present their report and the financial statements of the group for the year ended 31 March 2021.

Directors

The directors who served the company during the year were as follows:

V Trokoudes
S Beloberk (Appointed 26 May 2020)

Dividends

The directors do not recommend the payment of a dividend.

Disclosure of information in the strategic report

The business review, principal risks and uncertainties and the financial key performance indicators are covered in the strategic report.

Greenhouse gas emissions and energy consumption

Principal measures taken to increase energy efficiency

The Company is exempt from the requirements on disclosing its annual quantity of emissions and energy consumption for which it is responsible.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 the company and 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Plum Fintech Limited

Directors' Report *(continued)*

Year ended 31 March 2021

Auditor

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

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

Auditor appointment

Shipleys LLP were appointed as auditors during the year and have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

25/4/2022

This report was approved by the board of directors on and signed on behalf of the board by:

Victor Trokoudes

V Trokoudes
Director

Registered office:
2-7 Clerkenwell Green
2nd Floor
London
England
EC1R 0DE

Plum Fintech Limited

Independent Auditor's Report to the Members of Plum Fintech Limited

Year ended 31 March 2021

Opinion

We have audited the financial statements of Plum Fintech Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 of the parent company's affairs as at 31 March 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 or the 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.

Plum Fintech Limited

Independent Auditor's Report to the Members of Plum Fintech Limited *(continued)*

Year ended 31 March 2021

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the 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 by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept 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.

Plum Fintech Limited

Independent Auditor's Report to the Members of Plum Fintech Limited *(continued)*

Year ended 31 March 2021

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 the 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 the 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.

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 obtained an understanding of the Company's business, controls, legal and regulatory frameworks, laws and regulations and assessed the susceptibility of the Company's financial statements to material misstatement from irregularities, including fraud, are instances of non-compliance with laws and regulations.
- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management; journal entry testing; review of bank letters, board minutes and any correspondence received from regulatory bodies; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 purpose of expressing an
-

Plum Fintech Limited

Independent Auditor's Report to the Members of Plum Fintech Limited *(continued)*

Year ended 31 March 2021

opinion on the effectiveness of the 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 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 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.

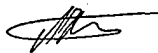
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

In the previous accounting period the Directors of the Company took advantage of audit exemption under s477 of the Companies Act. Therefore, the prior period financial statements were not subject to audit.

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.



Robert Wood (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
United Kingdom
WC2H 7DQ
26/4/2022

Plum Fintech Limited

Consolidated Statement of Comprehensive Income

Year ended 31 March 2021

	Note	2021 £	2020 £
Turnover	4	1,765,805	542,231
Gross profit		<u>1,765,805</u>	<u>542,231</u>
Administrative expenses		7,390,883	3,921,231
Other operating income	5	<u>150,015</u>	<u>13</u>
Operating loss	6	(5,475,063)	(3,378,987)
Interest payable and similar expenses	9	<u>517,301</u>	<u>52</u>
Loss before taxation		(5,992,364)	(3,379,039)
Tax on loss	10	<u>(570,732)</u>	<u>(310,000)</u>
Loss for the financial year		<u>(5,421,632)</u>	<u>(3,069,039)</u>
Foreign currency retranslation		(354)	(1,242)
Total comprehensive income for the year		<u>(5,421,986)</u>	<u>(3,070,281)</u>

All the activities of the group are from continuing operations.

The notes on pages 20 to 33 form part of these financial statements.

Plum Fintech Limited

Consolidated Statement of Financial Position

31 March 2021

	Note	2021 £	2020 (restated) £
Fixed assets			
Intangible assets	11	10,773	11,981
Tangible assets	12	70,934	20,520
		<u>81,707</u>	<u>32,501</u>
Current assets			
Debtors	14	1,320,626	791,087
Cash at bank and in hand		3,105,409	656,921
		<u>4,426,035</u>	<u>1,448,008</u>
Creditors: amounts falling due within one year	15	<u>945,659</u>	<u>522,575</u>
Net current assets		<u>3,480,376</u>	<u>925,433</u>
Total assets less current liabilities		<u>3,562,083</u>	<u>957,934</u>
Creditors: amounts falling due after more than one year	16	<u>7,142,383</u>	<u>–</u>
Net (liabilities)/assets		<u>(3,580,300)</u>	<u>957,934</u>
Capital and reserves			
Called up share capital	19	3	3
Share premium account	21	7,288,080	6,788,080
Foreign currency translation reserve	21	(1,596)	(1,242)
Other reserves	21	375,601	–
Share option reserve	21	8,151	–
Profit and loss account	21	(11,250,539)	(5,828,907)
Shareholders (deficit)/funds		<u>(3,580,300)</u>	<u>957,934</u>

These financial statements were approved by the board of directors and authorised for issue on 25/4/2022, and are signed on behalf of the board by:

Victor Trokoudes

V Trokoudes
Director

Company registration number: 09952199

The notes on pages 20 to 33 form part of these financial statements.

Plum Fintech Limited

Company Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £ (restated)
Fixed assets			
Tangible assets	12	64,852	20,520
Investments	13	449,765	3,644
		514,617	24,164
Current assets			
Debtors	14	1,345,805	848,093
Cash at bank and in hand		2,663,101	585,462
		4,008,906	1,433,555
Creditors: amounts falling due within one year	15	861,387	509,678
Net current assets		3,147,519	923,877
Total assets less current liabilities		3,662,136	948,041
Creditors: amounts falling due after more than one year	16	7,142,383	–
Net (liabilities)/assets		(3,480,247)	948,041
Capital and reserves			
Called up share capital	19	3	3
Share premium account	21	7,288,080	6,788,080
Other reserves	21	375,601	–
Share option reserves	21	8,151	–
Profit and loss account	21	(11,152,082)	(5,840,042)
Shareholders (deficit)/funds		(3,480,247)	948,041

The loss for the financial year of the parent company was £5,312,040 (2020: £3,138,108).

These financial statements were approved by the board of directors and authorised for issue on 25/4/2022, and are signed on behalf of the board by:

Victor Trokoudes

V Trokoudes
Director

Company registration number: 09952199

The notes on pages 20 to 33 form part of these financial statements.

Plum Fintech Limited

Consolidated Statement of Changes in Equity

Year ended 31 March 2021

	Called up share capital £	Share premium account £	Foreign currency translation reserve £	Other reserves £	Share option reserves £	Profit and loss account £	Total £
At 1 April 2019	2	4,328,070	-	-	-	(2,759,868)	1,568,204
Loss for the year						(3,069,039)	(3,069,039)
Other comprehensive income for the year:							
Foreign currency retranslation	-	-	(1,242)	-	-	-	(1,242)
Total comprehensive income for the year	-	-	(1,242)	-	-	(3,069,039)	(3,070,281)
Issue of shares	1	2,460,010	-	-	-	-	2,460,011
Total investments by and distributions to owners	1	2,460,010	-	-	-	-	2,460,011
At 31 March 2020	3	6,788,080	(1,242)	-	-	(5,828,907)	957,934

The consolidated statement of changes in equity
continues on the following page.

The notes on pages 20 to 33 form part of these financial statements.

Plum Fintech Limited

Consolidated Statement of Changes in Equity (continued)

Year ended 31 March 2021

	Called up share capital £	Share premium account £	Foreign currency translation reserve £	Other reserves £	Share option reserve £	Profit and loss account £	Total £
At 1 April 2020	3	6,788,080	(1,242)	-	-	(5,828,907)	957,934
Loss for the year						(5,421,632)	(5,421,632)
Other comprehensive income for the year:							
Foreign currency retranslation		-	(354)	-	-	-	(354)
Total comprehensive income for the year	-	-	(354)	-	-	(5,421,632)	(5,421,986)
Issue of shares	-	500,000	-	-	-	-	500,000
Issue of convertible loans	-	-	-	375,601	-	-	375,601
Share based payment charge	-	-	-	-	8,151	-	8,151
Total investments by and distributions to owners	-	500,000	-	375,601	8,151	-	883,752
At 31 March 2021	<u>3</u>	<u>7,288,080</u>	<u>(1,596)</u>	<u>375,601</u>	<u>8,151</u>	<u>(11,250,539)</u>	<u>(3,580,300)</u>

The notes on pages 20 to 33 form part of these financial statements.

Plum Fintech Limited

Company Statement of Changes in Equity

Year ended 31 March 2021

	Called up share capital £	Share premium account £	Other reserves £	Share option reserves £	Profit and loss account £	Total £
At 1 April 2019	2	4,328,070	–	–	(2,701,934)	1,626,138
Loss for the year	—	—	—	—	(3,138,108)	(3,138,108)
Total comprehensive income for the year	–	–	–	–	(3,138,108)	(3,138,108)
Issue of shares	1	2,460,010	–	–	–	2,460,011
Total investments by and distributions to owners	1	2,460,010	–	–	–	2,460,011
At 31 March 2020	3	6,788,080	–	–	(5,840,042)	948,041
Loss for the year	—	—	—	—	(5,312,040)	(5,312,040)
Total comprehensive income for the year	–	–	–	–	(5,312,040)	(5,312,040)
Issue of shares	–	500,000	–	–	–	500,000
Issue of convertible loans	–	–	375,601	–	–	375,601
Share based payment charge	–	–	–	8,151	–	8,151
Total investments by and distributions to owners	–	500,000	375,601	8,151	–	883,752
At 31 March 2021	3	7,288,080	375,601	8,151	(11,152,082)	(3,480,247)

The notes on pages 20 to 33 form part of these financial statements.

Plum Fintech Limited

Consolidated Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Loss for the financial year	(5,421,632)	(3,069,039)
<i>Adjustments for:</i>		
Depreciation of tangible assets	23,512	2,869
Amortisation of intangible assets	1,208	101
Interest payable and similar expenses	517,301	52
Equity-settled share-based payments	8,151	—
Tax on loss	(570,732)	(310,000)
<i>Changes in:</i>		
Trade and other debtors	34,651	(120,435)
Trade and other creditors	423,084	(1,679)
Cash generated from operations	(4,984,457)	(3,498,131)
Interest paid	—	(52)
Tax received	6,517	246,418
Net cash used in operating activities	<u>(4,977,940)</u>	<u>(3,251,765)</u>
Cash flows from investing activities		
Purchase of tangible assets	(73,926)	(14,935)
Other investing cash flow adjustment	—	13
Net cash used in investing activities	<u>(73,926)</u>	<u>(14,922)</u>
Cash flows from financing activities		
Proceeds from issue of ordinary shares	500,000	2,460,011
Other financing cash flow adjustment	7,000,000	—
Net cash from financing activities	<u>7,500,000</u>	<u>2,460,011</u>
Net increase/(decrease) in cash and cash equivalents	2,448,134	(806,676)
Cash and cash equivalents at beginning of year	656,921	1,463,597
Exchange gains on cash and cash equivalents	354	—
Cash and cash equivalents at end of year	<u>3,105,409</u>	<u>656,921</u>

The notes on pages 20 to 33 form part of these financial statements.

Plum Fintech Limited

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 2-7 Clerkenwell Green, 2nd Floor, London, EC1R 0DE, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and in accordance with applicable accounting standards.

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

Going concern

The financial statements have been prepared on a going concern basis, as management believes that the Company will be able to meet its liabilities as and when they fall over the next 12 months from the date of signing of these financial statements. The directors will continue to meet their regulatory and fiduciary obligations in respect of the Company, along with taking all necessary management steps and decisions to ensure that all financial commitments can be met when they fall due in the current economic environment (also considering the COVID-19 macro-economic climate).

However, the directors recognise that there is material uncertainty that exists when operating in a high growth technology sector, where raising further capital is essential to meeting the Company's liabilities as they fall due.

At the date of writing this report, and after raising £17m in a Series A funding round between October and December 2021, the company is in a net Assets position with a significant cash balance. Therefore the directors are confident that the Company will continue to meet its liabilities as they fall due.

The company is also planning to expand its product offerings by launching new features, including a US stock investing product and debit card offering from mid April 2022. Users will also get access to EU and UK stocks and crypto assets later in 2022.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Share options

Employees (including Directors) of the Company were granted share options in the prior period over shares in the Company. The Company has applied the requirements of FRS 102 share options to all grants of equity instruments.

The cost of share option transactions with employees and non-employees is measured by reference to the fair value at the grant date of the equity instrument granted. The fair value is determined by using the Black-Scholes method. The costs of equity-settled transactions are recognised, together with a corresponding charge to equity, over the period between the date of grant and the end of a vesting period, where relevant employees become fully entitled to the award. The total value of the options has been pro-rated and allocated on a weighted average basis.

Consolidation

The financial statements consolidate the financial statements of Plum Fintech Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires the company to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have the most significant effect on the amounts recognised in the financial statements are as follows:

Revenue Recognition

Judgement is applied when accessing the point at which the company obtains the right to consideration to determine if revenue and costs should be recognised in the current period, degree of completion and whether payment is likely or not to justify revenue recognition.

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of discounts allowed by the Company and value added taxes.

The Company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the customer; (b) the Company retains no continuing involvement or control over the service; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to the each of the Company's sales channels have been met, as described below.

i) Subscription revenue

The subscription revenue is revenue earned from customers for the provision of the Plum Plus or Plum Pro service, where the risk and rewards are transferred to the customer over the monthly period. In the event the customer withdraws their balance from Plum, effectively no longer using the service, then no revenue is recognised for that revenue month.

ii) Management fee revenue

The management fee revenue is revenue earned from a customer balance that is under administration with the Company. The administration services are provided evenly over time and therefore the revenue is calculated daily and then billed monthly. The revenue is recognised as the risk and rewards of the service are passed to the customer.

iii) Switching revenue

This comprises revenue relating to referral of customers from our Company to providers which offer cheapest solutions on mainly electricity, network, credit cards and travel insurance. The revenue is recognised as the risk and rewards of the service are passed to the customer.

iv) Other revenue

This comprises revenue relating to the client money interest. Revenue relating client money interest is only recognised once the underlying product or service has been rendered. The Company records the interest, which it earns managing the client money bank accounts, as revenue once the service has been rendered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Share options

Employees (including Directors) of the Company were granted share options in the prior period over shares in the Company. The Company has applied the requirements of FRS 102 share options to all grants of equity instruments.

The cost of share option transactions with employees and non-employees is measured by reference to the fair value at the grant date of the equity instrument granted. The fair value is determined by using the Black-Scholes method. The costs of equity-settled transactions are recognised, together with a corresponding charge to equity, over the period between the date of grant and the end of a vesting period, where relevant employees become fully entitled to the award. The total value of the options has been pro-rated and allocated on a weighted average basis.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

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

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment	- 20% straight line
Fixtures and fittings	- 20% straight line
Equipment	- 20% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

Financial instruments

a) Trade receivables

Trade receivables are amounts due from clients for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for bad debts.

b) Trade payables

Obligations to pay for goods/services; current and non-current are initially recognised at fair value and are subsequently measured at amortised costs.

c) Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

d) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, together with other short-term highly liquid investments that are readily convertible into known amounts of cash having maturities of 3 months or less from inception and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within borrowings, in current liabilities on the Statement of Financial Position.

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2021 £	2020 £
Rendering of services	<u>1,765,805</u>	<u>542,231</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. Other operating income

	2021 £	2020 £
Other operating income	15	13
Award income	<u>150,000</u>	<u>—</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021 £	2020 £
Amortisation of intangible assets	1,208	101
Depreciation of tangible assets	23,512	4,839
Foreign exchange differences	(2,350)	(18,889)
Audit fees	<u>17,500</u>	<u>—</u>

Fees payable for the audit of the financial statements amounted to £17,500 (2021: £nil) in the year. Fees payable to the company's auditor for other non-audit services amounted to £18,500 (2020: £nil) in the year.

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

7. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2021 No.	2020 No.
Number of staff	<u>68</u>	<u>35</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021 £	2020 £
Wages and salaries	2,264,318	1,221,425
Social security costs	548,837	172,687
Other pension costs	<u>27,135</u>	<u>15,786</u>
	<u>2,840,290</u>	<u>1,409,898</u>

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2021 £	2020 £
Remuneration	<u>79,218</u>	<u>98,302</u>

No remuneration was paid to key management personnel other than the Directors.

9. Interest payable and similar expenses

	2021 £	2020 £
Interest on banks loans and overdrafts	–	52
Interest payable on convertible loans	<u>517,301</u>	<u>–</u>
	<u>517,301</u>	<u>52</u>

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Tax on loss

Major components of tax income

	2021 £	2020 £
Current tax:		
UK current tax income	(570,732)	(310,000)
Tax on loss	<u>(570,732)</u>	<u>(310,000)</u>

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 57% (2020: 19%).

	2021 £	2020 £
Loss on ordinary activities before taxation	(5,992,364)	(3,379,039)
Loss on ordinary activities by rate of tax	(1,139,085)	(655,141)
Effect of expenses not deductible for tax purposes	–	114
Effect of capital allowances and depreciation	(9,579)	(2,869)
Effect of revenue exempt from tax	(422,701)	–
Effect of different UK tax rates on some earnings	177,124	347,896
Unused tax losses	823,509	–
Tax on loss	<u>(570,732)</u>	<u>(310,000)</u>

11. Intangible assets

Group	Goodwill £
Cost	
At 1 April 2020 and 31 March 2021	<u>12,082</u>
Amortisation	
At 1 April 2020	101
Charge for the year	<u>1,208</u>
At 31 March 2021	<u>1,309</u>
Carrying amount	
At 31 March 2021	<u>10,773</u>
At 31 March 2020	<u>11,981</u>

The company has no intangible assets.

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

12. Tangible assets

Group	Computer equipment £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2020	25,761	–	1,969	27,730
Additions	47,723	6,878	19,325	73,926
At 31 March 2021	<u>73,484</u>	<u>6,878</u>	<u>21,294</u>	<u>101,656</u>
Depreciation				
At 1 April 2020	5,241	–	1,969	7,210
Charge for the year	3,391	6,878	13,243	23,512
At 31 March 2021	<u>8,632</u>	<u>6,878</u>	<u>15,212</u>	<u>30,722</u>
Carrying amount				
At 31 March 2021	<u>64,852</u>	<u>–</u>	<u>6,082</u>	<u>70,934</u>
At 31 March 2020	<u>20,520</u>	<u>–</u>	<u>–</u>	<u>20,520</u>
Company				Computer equipment £
Cost				
At 1 April 2020				25,761
Additions				47,723
At 31 March 2021				<u>73,484</u>
Depreciation				
At 1 April 2020				5,241
Charge for the year				3,391
At 31 March 2021				<u>8,632</u>
Carrying amount				
At 31 March 2021				<u>64,852</u>
At 31 March 2020				<u>20,520</u>

Plum Fintech Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2021

13. Investments

The group has no investments.

Company	Shares in group undertakings £
Cost	
At 1 April 2020	3,644
Additions	446,121
At 31 March 2021	449,765
Impairment	
At 1 April 2020 and 31 March 2021	—
Carrying amount	
At 31 March 2021	449,765
At 31 March 2020	3,644

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

Subsidiary undertakings	Registered office	Class of share	Percentage of shares held
Plum Fintech Greece	8, Kleisovis Street, 10671 Athens	Ordinary	100
Saveable	2-7 Clerkenwell Green, 2nd Floor, London, England, EC1R 0DE	Ordinary	100
Plum Money CY Limited	6th Floor, Libra House, 21 Panteli Katelari, 1097 Nicosia, Cyprus	Ordinary	100
Plum Fintech CY Limited	6th Floor, Libra House, 21 Panteli Katelari, 1097 Nicosia, Cyprus	Ordinary	100

The performance and position of the investments held above for the year ended 31 March 2021 are as follows;

Name	Net Assets / (liabilities) (£)	Profit/(loss) for the period (£)
Plum Fintech Greece	(43,250)	(57,734)
Saveable	384,304	(3,082)
Plum Money CY Limited	11,966	(31,833)
Plum Fintech CY Limited	(17,059)	(18,584)

Plum Fintech Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2021

14. Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	(restated) £
Trade debtors	27,704	14,646	27,704	14,646
Amounts owed by group undertakings	–	68,268	55,500	68,268
Prepayments and accrued income	339,488	287,587	337,710	287,587
Corporation tax repayable	867,001	302,786	880,732	309,998
Other debtors	86,433	117,800	44,159	167,594
	<u>1,320,626</u>	<u>791,087</u>	<u>1,345,805</u>	<u>848,093</u>

Amounts owed by group undertakings are interest free and unsecured.

All trade receivable amounts are short term. All of the Group's trade and other receivables have been reviewed for indicators of impairment and, where necessary, a provision for impairment provided. The carrying value is considered a fair approximation of their fair value. The Group's management considers that all of the above financial assets are not impaired or past due and are of good credit quality.

15. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	432,837	449,021	391,843	438,526
Amounts owed to group undertakings	–	–	30,013	–
Accruals and deferred income	2,489	33,608	–	33,608
Social security and other taxes	348,724	33,766	276,400	31,364
Other creditors	161,609	6,180	163,131	6,180
	<u>945,659</u>	<u>522,575</u>	<u>861,387</u>	<u>509,678</u>

Amounts owed by group undertakings are interest free and unsecured.

16. Creditors: amounts falling due after more than one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Other creditors	<u>7,142,383</u>	<u>–</u>	<u>7,142,383</u>	<u>–</u>

Amount relates to a convertible loan due to mature in June 2023. Interest on this loan was 8% and totalled £517,301 which was recognised in interest payable as detailed in note 9.

17. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £27,135 (2020: £15,786). As at the year end £10,363 (2020: £3,823) is due in respect of these plans.

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

18. Reclass of prior period

The company is restating its statement of financial position at 31 March 2020.

During the prior year an investment of £3,644 was recorded in other debtors. Amounts due from to and from group entities have also been reallocated. The impact of this on the statement of financial position for the year ended 31 March 2020 had no impact on net assets or equity.

19. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £0.000001 each	1,432,622	1	1,655,589	2
Seed shares of £0.000001 each	965,471	1	965,471	1
Deferred shares of £0.000001 each	270,540	–	–	–
	<u>2,668,633</u>	<u>3</u>	<u>2,621,060</u>	<u>3</u>

Ordinary Shares - Each share has full rights in the Company with respect to voting, dividends and distributions.

Seed Preferred Shares - Any available profits which the company may determine to distribute in respect of any financial year will be distributed among the holders of equity shares (Pari Passu as if the equity shares constituted one class of shares) pro rate to their respective holdings of equity shares (on an as converted basis)

Deferred Shares - Entitled to a nominal amount on distribution of assets on a winding up, no entitlement to dividends.

Plum Fintech Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2021

20. Share options

The company operates two share-based compensation plans granting share options to employees (including Directors). Share options granted to employees are under the Enterprise Management Initiative ("EMI") scheme or in the case of overseas staff non-EMI options. These options vest over a 4 year period.

The total number of options as at the reporting date was 199,888.

	2021 No.	2021 WAEP £	2020 No.	2020 WAEP £
Balance brought forward	30,066	1.02	7,788	0.43
Share options granted	169,822	0.14	22,278	1.22
Share options lapsed				
Balance carried forward	199,888	0.27	30,066	1.02

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. The fair value of awards granted under EMI is measured using a Black Scholes model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each Statement of Financial Position date, the Company will revise its estimates of the number of options that are expected to vest, and any changes in estimate will be recognised in the income statement, with a corresponding adjustment in equity as per FRS 102.

During the year, the company recognised total share-based payment expenses of £8,834 (2020: £nil).

21. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Foreign currency translation reserve - This reserve represents foreign exchange movements arising on the retranslation of foreign subsidiaries to the functional currency of the company.

Other reserve – This reserve represents the equity element of the convertible loans issued.

Share option reserve - This reserve records the value received in relation to the issue of share options.

Profit and loss account - This reserve records retained earnings and accumulated losses.

22. Analysis of changes in net debt

	At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	656,921	2,448,488	3,105,409

Plum Fintech Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

23. Operating leases

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Not later than 1 year	122,865	–	47,906	–
Later than 1 year and not later than 5 years	99,945	–	–	–
	<u>222,810</u>	<u>–</u>	<u>47,906</u>	<u>–</u>

24. Other financial commitments

As at 31 March 2021 the Group & Company had no capital commitments or contracts for capital expenditure in place in the year (2020: £nil).

25. Related party transactions

Company

All entities within the group are 100% owned by the Plum Fintech Limited. These do not require disclosure under FRS 102.

There were no other transactions were undertaken with related parties as such that are required to be disclosed under FRS 102.

26. Controlling party

The Company is the highest level at which the Groups results are consolidated.

In the opinion of the directors there is no overall controlling party.