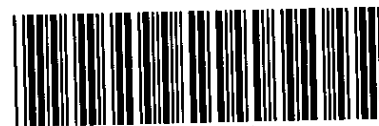


**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2021
FOR
MONEYPLUS HOLDINGS LIMITED**

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for the Year Ended 28th February 2021

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MONEYPLUS HOLDINGS LIMITED

COMPANY INFORMATION

for the Year Ended 28th February 2021

DIRECTORS:

Mr C Davis
Mr A Iversen
Mr M Hutton
Mr A Phakey
Mr J Mills
Mr R Saunders

REGISTERED OFFICE:

Riverside
New Bailey Street
Manchester
Lancashire
M3 5FS

REGISTERED NUMBER:

07580434 (England and Wales)

AUDITORS:

Kay Johnson Gee Limited
Chartered Accountants and Statutory Auditors
1 City Road East
Manchester
M15 4PN

GROUP STRATEGIC REPORT

for the Year Ended 28th February 2021

The Directors present their strategic report for the period ended 28th February 2021.

BUSINESS REVIEW, STRATEGY & OUTLOOK

Turnover for the year was £22m as compared to £23m for the prior period - a period which covered 18 months. The Group's loss before tax increased to £7.7m as compared to £2.2m for the prior period. However, during the year ended 28th February 2021 the Group completed on a refinancing exercising, coinciding with the exit of its previous private equity sponsors (Palatine Private Equity). This was an important milestone for the Group which saw a significant investment and support for a substantial period going forward by Intriva Capital. Contained within the losses as above were costs associated with the debt and equity reorganisation of the group totalling £4.07m (2020: £Nil). The loss for the year also includes non-cash costs of depreciation and amortisation totalling £5.1m (2020: £6.4m).

The significant event as above now places the Group in a strong position to grow its customer base and to achieve its aim of becoming the leading provider of debt solutions to over indebted consumers in the UK. It is clear that the economy, because of the Pandemic and other associated/related events such as the rise in energy prices is facing unprecedented challenges. These challenges will most be faced by those consumers who have the lower levels of disposal income often coupled with the highest levels of debt. These are the types of consumers that reach out to the Group for advice and assistance. As such the Group anticipates a significant uptick in the number of consumers requiring the services of the Group.

Management continue to believe that a key indicator of future trading performance is performance of its book of consumers. During the Pandemic, this asset base has outperformed managements expectations.

The group has net liabilities, largely represented by amounts owed to group shareholders, which is common for a private equity backed group.

PRINCIPAL RISKS AND UNCERTAINTIES

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

REGULATORY

During the Pandemic the company has engaged regularly with its regulator The Financial Conduct Authority (FCA). These have been positive discussions in which the company has shared with the FCA how the Pandemic has been felt by its customer base.

BANKING FACILITIES

In March 2021 the company completed on a transaction which saw the company refinance its banking facilities as well as the exit of its private equity sponsors; both being replaced by a new sponsor that has resulted in a new 5 year facility being put in place. This support will enable the company to grow its customer base, both organically and by way of acquisition.

ATTRITION RATES OF CONSUMERS

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

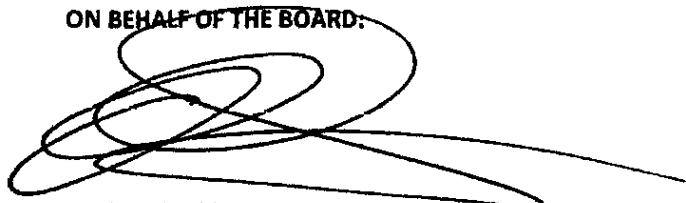
GROUP STRATEGIC REPORT

for the Year Ended 28th February 2021

MARKETPLACE

What is clear is that the economy is facing challenges not seen before in particular the aftermath of the COVID - 19 Pandemic and the surge in the cost of living, most concerning being the increase in energy prices which will be felt by all. These shocks will be most felt by those in society who have lower levels of disposable income and higher levels of unsecured debt. In this regard the company is well placed to respond to what will no doubt be an increased demand for the provision of regulated debt advice.

ON BEHALF OF THE BOARD:

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Mr C Davis - Director

22nd February 2022

REPORT OF THE DIRECTORS

for the Year Ended 28th February 2021

The directors present their report with the financial statements of the company and the group for the year ended 28th February 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of financial and legal advice, predominantly to over indebted consumers and domestic energy supply.

DIVIDENDS

No dividends will be distributed for the year ended 28th February 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st March 2020 to the date of this report.

Mr C Davis

Mr A Iversen

Mr M Hutton

Other changes in directors holding office are as follows:

Mr A Phakey, Mr J Mills and Mr R Saunders were appointed as directors after 28th February 2021 but prior to the date of this report.

Mr E Fazakerley ceased to be a director after 28th February 2021 but prior to the date of this report.

EMPLOYMENT AND EMPLOYMENT POLICIES

The company has implemented detailed human resources policies and acts as an equal opportunities employer. Communication with all employees continues through formal training and presentations, the intranet and regular staff meetings and events.

DIRECTORS' INDEMNITIES

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

DISCLOSURE IN THE STRATEGIC REPORT

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

REPORT OF THE DIRECTORS

for the Year Ended 28th February 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

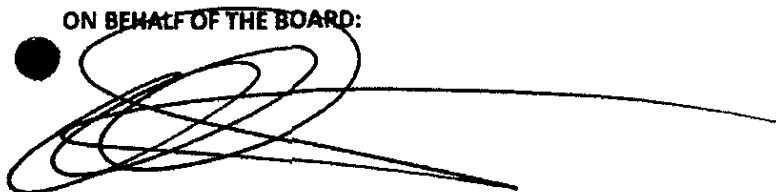
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

Under section 487(2) of the Companies Act 2006 Kay Johnson Gee Limited, will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

ON BEHALF OF THE BOARD:

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Mr C Davis - Director

22nd February 2022

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

Opinion

We have audited the financial statements of Moneyplus Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 28th February 2021 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 28th February 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

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

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 Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept 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 Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

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

Auditors' responsibilities for the audit of the financial statements

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

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- The nature of the industry and sector, control environment and business performance including the company's remuneration policies, key drivers for directors remuneration, bonus levels and performance targets.
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud being in the revenue recognition policy. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, employment law, health and safety, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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



Roger Blaskey (Senior Statutory Auditor)
for and on behalf of Kay Johnson Gee Limited
Chartered Accountants and Statutory Auditors
1 City Road East
Manchester
M15 4PN

22nd February 2022

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the Year Ended 28th February 2021

		Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
	Notes		
TURNOVER	4	21,546	23,030
Cost of sales		(8,785)	(1,481)
GROSS PROFIT		12,761	21,549
Administrative expenses		(15,011)	(20,296)
		(2,250)	1,253
Other operating income		148	-
OPERATING (LOSS)/PROFIT	6	(2,102)	1,253
Staff settlements	7	(46)	(35)
Costs of fundamental reorganisation	7	(3,968)	(1)
		(6,116)	1,217
Interest receivable and similar income	8	301	-
		(5,815)	1,217
Interest payable and similar expenses	9	(2,179)	(2,932)
LOSS BEFORE TAXATION		(7,994)	(1,715)
Tax on loss	10	269	(515)
LOSS FOR THE FINANCIAL YEAR		(7,725)	(2,230)

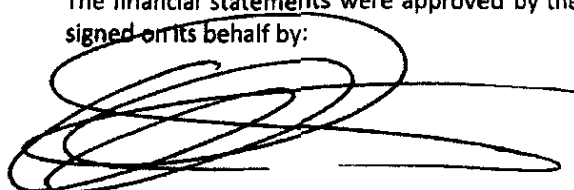
The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET

28th February 2021

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Intangible assets	12	14,088	18,613
Tangible assets	13	902	929
Investments	14	-	-
		<u>14,990</u>	<u>19,542</u>
CURRENT ASSETS			
Stocks	15	-	31
Debtors	16	9,660	4,138
Cash at bank and in hand		20	417
		<u>9,680</u>	<u>4,586</u>
CREDITORS			
Amounts falling due within one year	17	<u>(19,810)</u>	<u>(7,901)</u>
NET CURRENT LIABILITIES		<u>(10,130)</u>	<u>(3,315)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,860</u>	<u>16,227</u>
CREDITORS			
Amounts falling due after more than one year	18	<u>(25,253)</u>	<u>(28,895)</u>
NET LIABILITIES		<u>(20,393)</u>	<u>(12,668)</u>
CAPITAL AND RESERVES			
Called up share capital	23	32	32
Share premium		15	15
Capital redemption reserve		3	3
Retained earnings		<u>(20,443)</u>	<u>(12,718)</u>
SHAREHOLDERS' FUNDS		<u>(20,393)</u>	<u>(12,668)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 22nd February 2022 and were signed on its behalf by:



Mr C Davis - Director

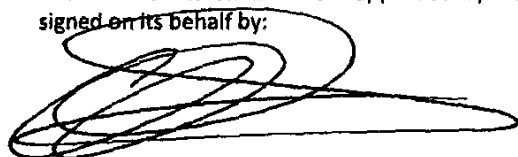
The notes form part of these financial statements

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**COMPANY BALANCE SHEET**

28th February 2021

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Intangible assets	12	-	-
Tangible assets	13	-	-
Investments	14	30	30
		<u>30</u>	<u>30</u>
CURRENT ASSETS			
Debtors	16	3	1,436
CREDITORS			
Amounts falling due within one year	17	(6,794)	(5,900)
NET CURRENT LIABILITIES		<u>(6,791)</u>	<u>(4,464)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(6,761)</u>	<u>(4,434)</u>
CREDITORS			
Amounts falling due after more than one year	18	(1,331)	(1,331)
NET LIABILITIES		<u>(8,092)</u>	<u>(5,765)</u>
CAPITAL AND RESERVES			
Called up share capital	23	32	32
Share premium		15	15
Capital redemption reserve		3	3
Retained earnings		(8,142)	(5,815)
SHAREHOLDERS' FUNDS		<u>(8,092)</u>	<u>(5,765)</u>
Company's loss for the financial year		<u>(2,327)</u>	<u>(1,093)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 22nd February 2022 and were signed on its behalf by:



Mr C Davis - Director

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Year Ended 28th February 2021

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Capital redemption reserve £'000	Total equity £'000
Balance at 1st September 2018	32	(10,488)	15	3	(10,438)
Deficit for the period	-	(2,230)	-	-	(2,230)
Total comprehensive loss	-	(2,230)	-	-	(2,230)
Balance at 29th February 2020	32	(12,718)	15	3	(12,668)
Deficit for the year	-	(7,725)	-	-	(7,725)
Total comprehensive loss	-	(7,725)	-	-	(7,725)
Balance at 28th February 2021	32	(20,443)	15	3	(20,393)

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY

for the Year Ended 28th February 2021

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Capital redemption reserve £'000	Total equity £'000
Balance at 1st September 2018	32	(4,722)	15	3	(4,672)
Deficit for the period	-	(1,093)	-	-	(1,093)
Total comprehensive loss	-	(1,093)	-	-	(1,093)
Balance at 29th February 2020	32	(5,815)	15	3	(5,765)
Deficit for the year	-	(2,327)	-	-	(2,327)
Total comprehensive loss	-	(2,327)	-	-	(2,327)
Balance at 28th February 2021	32	(8,142)	15	3	(8,092)

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT

for the Year Ended 28th February 2021

		Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
	Notes		
Cash flows from operating activities			
Cash generated from operations	27	3,602	10,022
Interest paid		(2,164)	(2,929)
Interest element of hire purchase or finance lease rental payments paid		(15)	(3)
Tax paid		(54)	(367)
Net cash from operating activities		<u>1,369</u>	<u>6,723</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(141)	(2,613)
Purchase of tangible fixed assets		(412)	(903)
Interest received		301	-
Net cash from investing activities		<u>(252)</u>	<u>(3,516)</u>
Cash flows from financing activities			
Capital repayments in year		(1,513)	(3,345)
Amount withdrawn by directors		(1)	(9)
Net cash from financing activities		<u>(1,514)</u>	<u>(3,354)</u>
Decrease in cash and cash equivalents		<u>(397)</u>	<u>(147)</u>
Cash and cash equivalents at beginning of year	28	<u>417</u>	<u>564</u>
Cash and cash equivalents at end of year	28	<u><u>20</u></u>	<u><u>417</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the Year Ended 28th February 2021

1. STATUTORY INFORMATION

Moneyplus Holdings Limited is a private company limited by share capital, incorporated in England & Wales, registration number 07580434. The address of the principal place of business and the registered office is Riverside, New Bailey Street, Manchester M3 5FS.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. For the purpose of aligning with the Group's internal financial reporting period end, the profit and loss account is inclusive of revenue and expenditure which has been accrued in relation to the period up to 10 March 2021. Similarly, revenue and expenditure for the period prior to 11 March 2020 has been excluded. Due to a high proportion of customer payments being received around calendar month end, this treatment ensures any fluctuations in fee income which may arise due to how business processing days may fall around calendar month end are eliminated.

The financial statements have been prepared on the going concern basis; although the Group had net liabilities this is as a result of the private equity ownership structure. The directors confirm that having reviewed the Group's cash requirements for the foreseeable future and the potential impact of regulatory changes and the application for full FCA authorisation (successfully achieved in December 2016), they have a reasonable expectation that the Group has adequate resources to continue in operational existence and meets its liabilities as and when they fall due. For this reason they have adopted the going concern basis in preparing these financial statements.

In the prior year, the accounting year had been extended and reflects a 18 month period which means the results are not directly comparable with the current period.

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

Going concern

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in detail in the Strategic Report.

In December 2020, the Group exchanged contracts on a transaction which when completed saw the exit of Private Equity Sponsors as well as PNC - the new investors became not only shareholders but also the providers of debt facilities. This transaction completed on the 15th March 2021 after being granted approval from the Financial Conduct Authority (FCA) and the Solicitors Regulation Authority (SRA).

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 28th February 2021. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the profit or loss and other comprehensive income from the date that control commences until the date that control ceases. Control is established when the company has the power to govern the operating and financial policies of an entity as to obtain benefits from its activities. In assessing control, the group takes into consideration potential voting rights that are currently exercisable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

2. ACCOUNTING POLICIES - continued

Turnover

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

Debt management

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

IVA fees

Turnover is recorded to recognise gross income during the life of the IVA based on the cost of the work to date as a percentage of the total cost of services to be performed.

Legal services

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

Energy

Turnover is recognised based on Meter Reads provided from a customer on an agreed plan. Accrued energy income is recognised after the latest meter reading date to the supply end date based on industry profiled volume applied to the agreed customer plan.

Turnover is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of turnover reflects the accrual of the right to consideration by reference to the value of work performed. Turnover not billed to clients is included in debtors and payments on account in excess of the relevant amount of turnover are included in creditors.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

Government grants

Government grants are recognised on the accrual model and are measured at fair value of the asset receivable. Grants are classified as relating either to other income or to assets. Grants related to other income are recognised in profit or loss over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Intangible assets

Include:

(1) Goodwill arising from the acquisition of the subsidiary undertaking representing the excess of the fair value of the consideration given over the fair value of net assets acquired is recognised in accordance with FRS 6 'Acquisitions and Mergers' as an intangible asset; and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

2. ACCOUNTING POLICIES - continued

(2) Customer contracts which represent the rights to ongoing management fees income from clients within back books acquired by the Group, and is amortised over a period that reflects the attrition experience of the back book in line with the Groups policy.

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

Goodwill	- 10 years straight line
Contracts	- 10 years straight line

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation on tangible fixed assets is charged to the profit and loss so as to write off their value, over their estimated useful lives, using the following methods:

Short leasehold	over the period of the lease
Plant and machinery	25% on cost
Fixtures and fittings	20% and 25% on cost
Website	25% on cost
Computer equipment	25% and 33.33% on cost

At each reporting date, the Group reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items of tangible fixed assets have suffered an impairment loss. If any such indication exists, the recoverable amount of an 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 the asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of finance charge allocated to future periods. The finance element of the rental payment is charged to the income statement so as to produce a constant periodic rate of charge on the net obligation outstanding.

Employee benefits

The Group operates a defined contribution pension scheme. Contributions payable to the Group's pension scheme are charged to the profit or loss account in the period to which they relate. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

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 Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Trade and other debtors

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

Trade and other creditors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand. Bank borrowings are included within creditors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Amortisation

The company accounts for amortisation in relation to the acquisition of debt management plan backbooks in accordance with FRS 102. The amortisation and expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets based on historical experience of the length of a typical plan.

Revenue Recognition

The company's revenue recognition policy for supervisory fees in relation to IVA products is based on aligning up front revenue take to the level of cost expensed before an IVA becomes active. The remainder of fee revenue is then spread over the length of the IVA.

4. TURNOVER

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

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

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Services	21,546	23,030
	<u>21,546</u>	<u>23,030</u>

An analysis of turnover by geographical market is given below:

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
United Kingdom	21,546	23,030
	<u>21,546</u>	<u>23,030</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

5. EMPLOYEES AND DIRECTORS

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Wages and salaries	4,514	7,660
Social security costs	450	785
Other pension costs	78	118
	<u>5,042</u>	<u>8,563</u>

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

	Year ended 28/2/21	Period 1/9/18 to 29/2/20
Administration	<u>166</u>	<u>209</u>

	Year ended 28/2/21 £	Period 1/9/18 to 29/2/20 £
Directors' remuneration	319,779	590,277
Directors' pension contributions to money purchase schemes	<u>2,517</u>	<u>2,334</u>

Information regarding the highest paid director is as follows:

	Year ended 28/2/21 £	Period 1/9/18 to 29/2/20 £
Emoluments etc	215,463	379,764
Pension contributions to money purchase schemes	<u>1,204</u>	<u>1,457</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

6. OPERATING (LOSS)/PROFIT

The operating loss (2020 - operating profit) is stated after charging:

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Hire of plant and machinery	19	34
Other operating leases	654	766
Depreciation - owned assets	342	418
Goodwill amortisation	1,685	2,042
Development costs amortisation	543	335
Contracts amortisation	2,535	3,624
Auditors' remuneration	59	50
Auditors' remuneration for non audit work	-	5
Plevin small claims	493	74
	<u> </u>	<u> </u>

7. EXCEPTIONAL ITEMS

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Exceptional items	(100)	-
Staff settlements	(46)	(35)
Costs of fundamental reorganisation	(3,968)	(1)
	<u>(4,114)</u>	<u>(36)</u>

Exceptional costs are made up of a £100,000 accrual for payments made to DWF Group PLC post year end relating to the re-financing of the Group of Moneyplus companies. The company was committed to the re-financing at the reporting date.

The staff settlements are in relation to settlement payments made to several staff members as a result of disputes with the company.

Costs of fundamental reorganisation are made up of accruals for payments to several parties post year end relating to the re-financing of the Group of Moneyplus companies. The company was committed to the re-financing at the reporting date.

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Other interest received	301	-
	<u> </u>	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Bank loan interest	903	1,525
Other interest paid	189	6
Interest payable	1,072	1,398
Interest on overdue tax paid	15	3
	<u>2,179</u>	<u>2,932</u>

10. TAXATION

Analysis of the tax (credit)/charge

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

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Current tax:		
UK corporation tax	(264)	573
Corporation tax prior years	(16)	(29)
Total current tax	<u>(280)</u>	<u>544</u>
Deferred tax	11	(29)
Tax on loss	<u>(269)</u>	<u>515</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

10. TAXATION - continued

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Loss before tax	<u>(7,994)</u>	<u>(1,715)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(1,519)	(326)
Effects of:		
Expenses not deductible for tax purposes	395	761
Income not taxable for tax purposes	-	(417)
Depreciation in excess of capital allowances	514	623
Utilisation of tax losses	209	-
Adjustments to tax charge in respect of previous periods	(16)	(29)
Deferred tax movement	11	(29)
Research and development credit	-	(80)
Losses carried forward	<u>137</u>	<u>12</u>
Total tax (credit)/charge	<u>(269)</u>	<u>515</u>

11. INDIVIDUAL PROFIT AND LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

12. INTANGIBLE FIXED ASSETS**Group**

	Goodwill £'000	Development costs £'000	Contracts £'000	Totals £'000
COST				
At 1st March 2020	17,314	1,127	34,012	52,453
Additions	(464)	479	126	141
Reclassification/transfer	-	245	-	245
At 28th February 2021	16,850	1,851	34,138	52,839
AMORTISATION				
At 1st March 2020	11,756	355	21,729	33,840
Amortisation for year	1,685	543	2,535	4,763
Reclassification/transfer	-	148	-	148
At 28th February 2021	13,441	1,046	24,264	38,751
NET BOOK VALUE				
At 28th February 2021	3,409	805	9,874	14,088
At 29th February 2020	5,558	772	12,283	18,613

13. TANGIBLE FIXED ASSETS**Group**

	Short leasehold £'000	Plant and machinery £'000	Fixtures and fittings £'000
COST			
At 1st March 2020	503	54	475
Additions	63	-	3
Reclassification/transfer	-	-	-
At 28th February 2021	566	54	478
DEPRECIATION			
At 1st March 2020	488	47	456
Charge for year	15	-	6
Reclassification/transfer	-	-	-
At 28th February 2021	503	47	462
NET BOOK VALUE			
At 28th February 2021	63	7	16
At 29th February 2020	15	7	19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

13. TANGIBLE FIXED ASSETS - continued

Group

	Website £'000	Computer equipment £'000	Totals £'000
COST			
At 1st March 2020	280	1,912	3,224
Additions	-	346	412
Reclassification/transfer	(245)	-	(245)
At 28th February 2021	35	2,258	3,391
DEPRECIATION			
At 1st March 2020	148	1,156	2,295
Charge for year	9	312	342
Reclassification/transfer	(148)	-	(148)
At 28th February 2021	9	1,468	2,489
NET BOOK VALUE			
At 28th February 2021	26	790	902
At 29th February 2020	132	756	929

14. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £'000
COST	
At 1st March 2020 and 28th February 2021	30
NET BOOK VALUE	
At 28th February 2021	30
At 29th February 2020	30

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

14. FIXED ASSET INVESTMENTS - continued

Company

The following is a subsidiary undertaking of the company:

Name	Country of incorporation	Class of shares	Holding	Principal Activity
Moneyplus Intermediary Limited	England and Wales	Ordinary	100%	Holding company

The following is a subsidiary undertaking of the Moneyplus Intermediary Limited:

Moneyplus Midco Limited	England and Wales	Ordinary	100%	Dormant
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The following are subsidiaries of Moneyplus Midco Limited:

Moneyplus Group Limited	England and Wales	Ordinary	100%	Financial services
Moneyplus Insolvency Limited *	England and Wales	Ordinary	100%	Financial services
Moneyplus Telecoms Limited *	England and Wales	Ordinary	100%	Telephony services
Moneyplus Mortgages Limited *	England and Wales	Ordinary	100%	Financial services
Moneyplus Energy Limited * ^	England and Wales	Ordinary	100%	Domestic energy supply

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

14. FIXED ASSET INVESTMENTS - continued

The following are subsidiaries of Moneyplus Group Limited:

Debt in Control Limited *	England and Wales	Ordinary	100%	Dormant
Moneyplus Legal Limited *	England and Wales	Ordinary	100%	Legal services
Moneyplus Blackburn Limited *	England and Wales	Ordinary	100%	Dormant
Kensington Knight Limited *	England and Wales	Ordinary	100%	Dormant
Clear Financial Solutions (UK) Limited *	England and Wales	Ordinary	100%	Dormant
The Debt People Limited *	England and Wales	Ordinary	100%	Dormant
Moneyplus 2010 Limited *	England and Wales	Ordinary	100%	Dormant
Patronus Group Limited *	England and Wales	Ordinary	100%	Dormant
R&R Financial Solutions Limited *	England and Wales	Ordinary	100%	Dormant
Hamilton Locke & Co. Limited *	England and Wales	Ordinary	100%	Dormant
Pathfinder Financial Services Limited *	England and Wales	Ordinary	100%	Dormant
Mollykit Limited *	England and Wales	Ordinary	100%	Dormant
The Debt Point Limited * <	England and Wales	Ordinary	100%	Dormant (dissolved)

The following is a subsidiary of Moneyplus 2010 Limited:

Chiltern UK Limited *	England and Wales	Ordinary	100%	Dormant
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The following are subsidiaries of Moneyplus Legal Limited:

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

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

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

^ Subsidiary entered into administration post year end on 13th September 2021 and a administrator has been appointed.

< Subsidiary was dissolved on 25th May 2021 and was dormant up to this point.

The financial year end of all of the subsidiaries is on 28th February 2021.

15. STOCKS

	Group	
	2021	2020
	£'000	£'000
Work-in-progress	-	31

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

16. DEBTORS

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	1,556	927	-	1
Amounts owed by group undertakings	-	-	-	76
Other debtors	152	485	-	-
Directors' current accounts	10	9	-	-
Tax	-	25	-	-
Deferred tax asset	5	16	-	-
Prepayments and accrued income	7,937	2,676	3	28
	<u>9,660</u>	<u>4,138</u>	<u>3</u>	<u>105</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	-	1,331
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,331</u>
Aggregate amounts	<u>9,660</u>	<u>4,138</u>	<u>3</u>	<u>1,436</u>

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Deferred tax asset	5	16	-	-
	<u>5</u>	<u>16</u>	<u>-</u>	<u>-</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans and overdrafts (see note 19)	583	-	-	-
Other loans (see note 19)	1,547	-	-	-
Trade creditors	3,934	1,223	37	38
Amounts owed to group undertakings	-	-	6,638	5,850
Tax	386	720	-	-
Social security and other taxes	1,420	219	-	-
VAT	90	90	-	-
Other creditors	95	1,339	3	5
Accruals and deferred income	11,755	-	-	-
Accrued expenses	-	4,310	116	7
	<u>19,810</u>	<u>7,901</u>	<u>6,794</u>	<u>5,900</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

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

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans (see note 19)	14,362	18,004	-	-
Other loans (see note 19)	10,891	10,891	1,331	1,331
	<u>25,253</u>	<u>28,895</u>	<u>1,331</u>	<u>1,331</u>

19. LOANS

Loan notes of £1,331k are repayable on 3 June 2021 and interest is charged at 12% pa. As part of the post year-end refinancing exercise £864k of these loans were repaid with the remaining £467k restructured with new maturity date of 16 March 2026.

Loan notes of £9,560k in Moneyplus Intermediary Limited are repayable on 3 June 2021 and interest is charged at 8% pa. As part of the post year-end refinancing exercise this loan was restructured with the new loans having a maturity date of 16 March 2026.

The loan from PNC of £14,362k is repayable on 31 March 2021 which is net of deal costs. As part of the post year-end refinancing exercise this loan was satisfied in full.

The PNC loan facility of £26,500k as at 28 February 2021 is secured on the forecast fee income receivable on the contracts from owned customer accounts. As part of the post year-end refinancing exercise this loan was replaced by facilities with Intriva Capital.

Details of shares shown as liabilities are as follows:

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	2021	2020
	£'000	£'000
Within one year	422	534
Between one and five years	369	1,028
	<u>791</u>	<u>1,562</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

21. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2021	2020
	£'000	£'000
Bank loans	14,945	18,004
Other loans	11,107	9,560
	<u>26,052</u>	<u>27,564</u>

PNC Financial Services UK Ltd held a guarantee and debenture charge, dated 3rd June 2011, creating fixed and floating charges over all the property and undertaking of the company. This also contains a negative pledge. This charge was satisfied post year end dated 16th March 2021 and replaced with a similar charge.

Palatine Private Equity LLP held a guarantee and debenture charge, dated 3rd June 2011, creating fixed and floating charges over all the property and undertaking of the company. This also contains a negative pledge. This charge was satisfied post year end dated 16th March 2021 and replaced with a similar charge.

Intriva Resolution Advisors LLP dated 15th March 2021 and 22nd October 2021, created fixed and floating charges over all the property and undertakings of the company. These also contain negative pledges.

22. DEFERRED TAX**Group**

	£'000
Balance at 1st March 2020	(16)
Provided during year	11
Balance at 28th February 2021	<u>(5)</u>

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£'000	£'000
10,947	Ordinary	1	11	11
1,375	Ordinary A	1	1	1
19,588	Preferred Ordinary	1	20	20
			<u>32</u>	<u>32</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

23. CALLED UP SHARE CAPITAL - continued

The Ordinary shares and Ordinary A shares carry equal voting rights. Each Preferred Ordinary share has enhanced voting rights if any of the following takes place:

- An event of default under any of MoneyPlus Holdings Limited's ("Holdings") banking facilities;
- Any breach of any provisions of the Articles of Association of Holdings or specific provisions of the Investment Agreement which is not redeemed within a certain time period, by Holdings, a Director (other than an Investor Director) or any holder of ordinary shares;
- Holdings failing to pay interest due on the loan note; and
- Holdings failing to redeem any of the loan notes to be redeemed.

24. ULTIMATE PARENT COMPANY

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

The Directors are considered to be the controlling parties of the company by virtue of their holding in the share capital.

25. CONTINGENT LIABILITY

The Company, together with other companies within the group, is party to a composite guarantee and debenture, dated 3 June 2011, given in favour of Palatine Private Equity LLP and a guarantee and debenture, dated 3 June 2011, given in favour of our bankers. The possibility of any transfer in settlement is unlikely. This charge was satisfied post year end dated 16th March 2021 and replaced with a similar charge.

26. RELATED PARTY DISCLOSURES

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

Fees of £Nil (2020: £60k) were incurred during the period to Palatine Private Equity Fund LP a shareholder of the Company. There was £36k (2020: £Nil) outstanding as at 28th February 2021.

Fees of £27k (2020: £26k) were incurred during the period to Wolds Consultancy Limited, a company for which A Iversen is a director. There was £Nil (2020: £10k) outstanding as at 28th February 2021.

Fees of £27k (2020: £31k) were incurred during the period to Vickers Business Machines Limited, a company for which E McNicol is a director. There was £9k (2020: £2k) outstanding as at 28th February 2021.

The key management personnel of the business are deemed to be the directors.

Other than the transactions disclosed in note 5 there were no other transaction with directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2021

27. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year ended 28/2/21 £'000	Period 1/9/18 to 29/2/20 £'000
Loss before taxation	(7,994)	(1,715)
Depreciation charges	5,105	6,420
Finance costs	2,179	2,932
Finance income	(301)	-
	<u>(1,011)</u>	<u>7,637</u>
Decrease/(increase) in stocks	31	(31)
Increase in trade and other debtors	(5,531)	(890)
Increase in trade and other creditors	10,113	3,306
	<u>3,602</u>	<u>10,022</u>
Cash generated from operations	3,602	10,022

28. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 28th February 2021

	28/2/21 £'000	1/3/20 £'000
Cash and cash equivalents	<u>20</u>	<u>417</u>

Period ended 29th February 2020

	29/2/20 £'000	1/9/18 £'000
Cash and cash equivalents	<u>417</u>	<u>564</u>

29. ANALYSIS OF CHANGES IN NET DEBT

	At 1/3/20 £'000	Cash flow £'000	At 28/2/21 £'000
Net cash			
Cash at bank and in hand	<u>417</u>	<u>(397)</u>	<u>20</u>
	<u>417</u>	<u>(397)</u>	<u>20</u>
Debt			
Debts falling due within 1 year	-	(2,130)	(2,130)
Debts falling due after 1 year	<u>(28,895)</u>	<u>3,642</u>	<u>(25,253)</u>
	<u>(28,895)</u>	<u>1,512</u>	<u>(27,383)</u>
Total	<u>(28,478)</u>	<u>1,115</u>	<u>(27,363)</u>