

REGISTERED NUMBER: 07580434 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2023
FOR
MONEYPLUS HOLDINGS LIMITED**

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MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

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for the Year Ended 28th February 2023

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MONEYPLUS HOLDINGS LIMITED

COMPANY INFORMATION

for the Year Ended 28th February 2023

DIRECTORS:

Mr C Davis
Mr M Hutton
Mr J Mills
Mr A Phahey
Mr K Chung
Mr D Watt
Mr M Shaw

REGISTERED OFFICE:

Riverside
New Bailey Street
Manchester
M3 5FS

REGISTERED NUMBER:

07580434 (England and Wales)

AUDITORS:

Xeinadin Audit Limited
100 Barbirolli Square
Manchester
M2 3BD

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

GROUP STRATEGIC REPORT **for the Year Ended 28th February 2023**

The Directors present their strategic report for the period ended 28th February 2023.

BUSINESS REVIEW, STRATEGY & OUTLOOK

Turnover for continuing operations for the year was £10m as compared to £10.8m for the prior period. Despite the year-on-year drop in consolidated turnover, turnover of the core debt advice revenue streams increased by £0.9m on prior year. The Group's loss before tax increased to £12.3m as compared to £7.5m for the prior period, driven by various factors including the cessation of trade with a group company - MoneyPlus Legal and an increase in investment in new customers by £1.5m on the prior year. The up-front investment in new customers has a negative impact on short-term profitability but creates a robust asset of recurring revenues that will drive increased EBITDA over future years. There were also costs of refinancing and reorganisation as the investors increased their investment in order to support the group's growth ambitions. The loss for the year also includes non-cash costs of depreciation and amortisation totalling £4.23m, and exceptional costs relating to the write-off of accrued income in MoneyPlus Legal totalling £2.42m, accrued interest of £4.48m and increased bad debt provision related to MoneyPlus Legal of £0.6m. Amortisation relates to various historic acquisitions of debt advice books and businesses that continue to deliver monthly recurring revenues.

During the year the group cemented its position as one of the largest providers of debt advice in the UK, growing its customer base by 12%, whilst at the same time seeing attrition rates remain at historic low levels. During the year c6,000 new customers were onboarded to a debt advice solution and c1,800 successfully completed their plan and became debt free.

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

In September 2022 the debt and equity of the business was restructured. The group obtained a £6.5m loan from OakNorth Bank PLC to be used to fund growth. At the same time a portion of the debt with our investors, Intriva Capital, was repaid and reinvested as share capital.

The group has net liabilities, largely represented by amounts owed to group shareholders, which is common for a private equity backed group as well as investment into the book recognised in the year, which will bring a benefit to the business over time.

PRINCIPAL RISKS AND UNCERTAINTIES

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

REGULATORY

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

ATTRITION RATES OF CONSUMERS

As part of the ongoing performance of the group a key consideration is the monthly attrition rate of the consumer base. The group 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 group, but also external auditors commissioned on behalf of its finance providers.

GROUP STRATEGIC REPORT

for the Year Ended 28th February 2023

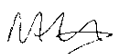
ATTRITION RATES OF CONSUMERS

As part of the ongoing performance of the group a key consideration is the monthly attrition rate of the consumer base. The group 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 group, but also external auditors commissioned on behalf of its finance providers.

MARKETPLACE

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

ON BEHALF OF THE BOARD:



Mr M Hutton - Director

30th November 2023

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

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

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

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the provision of financial and legal advice, predominantly to overindebted consumers.

DIVIDENDS

No dividends will be distributed for the year ended 28th February 2023.

DIRECTORS

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

Mr C Davis
Mr M Hutton
Mr J Mills
Mr A Phahey

Other changes in directors holding office are as follows:

Mr R Saunders - resigned 5th October 2022
Mr K Chung - appointed 5th October 2022
Mr D Watt - appointed 28th November 2022

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

EMPLOYMENT AND EMPLOYMENT POLICIES

The group 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 group 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 2023

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.

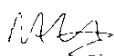
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

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

ON BEHALF OF THE BOARD:



Mr M Hutton - Director

30th November 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MONEYPLUS 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 2023 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 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

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

Identifying and assessing potential risks related to irregularities

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

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

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

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

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

Audit response to risks identified

Our procedures to respond to risks identified included the following:

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

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

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

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

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

Use of our report

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

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

30th November 2023

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**CONSOLIDATED PROFIT AND LOSS ACCOUNT**
for the Year Ended 28th February 2023

| | Notes | 2023 Continuing £'000 | 2023 Discontinued £'000 | 2023 Total £'000 |
|---|-------|-----------------------------|-------------------------------|------------------------|
| TURNOVER | 4 | 9,954 | - | 9,954 |
| Cost of sales | | (3,128) | - | (3,128) |
| GROSS PROFIT | | 6,826 | - | 6,826 |
| Administrative expenses | | (11,495) | - | (11,495) |
| OPERATING LOSS | 6 | (4,669) | - | (4,669) |
| Costs of fundamental reorganisation | 7 | 606 | - | 606 |
| Re-financing costs | 7 | (531) | - | (531) |
| Legal accrued income write off | 7 | (2,421) | - | (2,421) |
| | | (7,015) | - | (7,015) |
| Gain/loss on revaluation of assets | | - | - | - |
| Interest payable and similar expenses | 9 | (5,241) | - | (5,241) |
| LOSS BEFORE TAXATION | | (12,256) | - | (12,256) |
| Tax on loss | 10 | - | - | - |
| LOSS FOR THE FINANCIAL YEAR | | (12,256) | - | (12,256) |
| OTHER COMPREHENSIVE INCOME | | | | - |
| TOTAL COMPREHENSIVE LOSS FOR THE YEAR | | | | (12,256) |
| Loss attributable to: Owners of the parent | | | | (12,256) |
| Total comprehensive income attributable to: Owners of the parent | | | | (12,256) |

The notes form part of these financial statements

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

for the Year Ended 28th February 2023


| | Notes | 2022 Continuing £'000 | 2022 Discontinued £'000 | 2022 Total £'000 |
|---|-------|-----------------------------|-------------------------------|------------------------|
| TURNOVER | 4 | 10,803 | 6,950 | 17,753 |
| Cost of sales | | (1,580) | (6,275) | (7,855) |
| GROSS PROFIT | | 9,223 | 675 | 9,898 |
| Administrative expenses | | (11,940) | (2,074) | (14,014) |
| OPERATING LOSS | 6 | (2,717) | (1,399) | (4,116) |
| Intercompany bad debt | 7 | - | (2,442) | (2,442) |
| Staff settlements | 7 | (23) | - | (23) |
| Costs of fundamental reorganisation | 7 | (54) | - | (54) |
| Re-financing costs | 7 | (459) | - | (459) |
| | | (3,253) | (3,841) | (7,094) |
| Amounts written off investments | 8 | - | 2,680 | 2,680 |
| Gain/loss on revaluation of assets | | - | - | - |
| Interest payable and similar expenses | 9 | (4,303) | (3) | (4,306) |
| LOSS BEFORE TAXATION | | (7,556) | (1,164) | (8,720) |
| Tax on loss | 10 | 27 | - | 27 |
| LOSS FOR THE FINANCIAL YEAR | | (7,529) | (1,164) | (8,693) |
| OTHER COMPREHENSIVE INCOME | | | | - |
| TOTAL COMPREHENSIVE LOSS FOR THE YEAR | | | | (8,693) |
| Loss attributable to: Owners of the parent | | | | (8,693) |
| Total comprehensive income attributable to: Owners of the parent | | | | (8,693) |

The notes form part of these financial statements

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**CONSOLIDATED BALANCE SHEET****28th February 2023**

| | Notes | 2023 £'000 | 2022 £'000 |
|--|-------|-----------------|-----------------|
| FIXED ASSETS | | | |
| Intangible assets | 12 | 6,982 | 10,379 |
| Tangible assets | 13 | 183 | 486 |
| Investments | 14 | - | - |
| | | <u>7,165</u> | <u>10,865</u> |
| CURRENT ASSETS | | | |
| Debtors | 15 | 5,798 | 6,416 |
| Cash at bank and in hand | | 2,927 | 137 |
| | | <u>8,725</u> | <u>6,553</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 16 | (2,384) | (4,440) |
| NET CURRENT ASSETS | | <u>6,341</u> | <u>2,113</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>13,506</u> | <u>12,978</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 17 | (48,831) | (42,064) |
| NET LIABILITIES | | <u>(35,325)</u> | <u>(29,086)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 22 | 6,049 | 32 |
| Share premium | | 15 | 15 |
| Capital redemption reserve | | 3 | 3 |
| Retained earnings | | (41,392) | (29,136) |
| SHAREHOLDERS' FUNDS | | <u>(35,325)</u> | <u>(29,086)</u> |

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



Mr M Hutton - Director

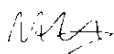
The notes form part of these financial statements

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

28th February 2023

| | Notes | 2023 £'000 | 2022 £'000 |
|--|-------|----------------|----------------|
| FIXED ASSETS | | | |
| Intangible assets | 12 | - | - |
| Tangible assets | 13 | - | - |
| Investments | 14 | 6,015 | 15 |
| | | <u>6,015</u> | <u>15</u> |
| CURRENT ASSETS | | | |
| Debtors | 15 | 1 | - |
| CREDITORS | | | |
| Amounts falling due within one year | 16 | (6,775) | (6,189) |
| NET CURRENT LIABILITIES | | <u>(6,774)</u> | <u>(6,189)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>(759)</u> | <u>(6,174)</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 17 | (539) | (501) |
| NET LIABILITIES | | <u>(1,298)</u> | <u>(6,675)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 22 | 6,049 | 32 |
| Share premium | | 15 | 15 |
| Capital redemption reserve | | 3 | 3 |
| Retained earnings | | (7,365) | (6,725) |
| SHAREHOLDERS' FUNDS | | <u>(1,298)</u> | <u>(6,675)</u> |
| Company's (loss)/profit for the financial year | | <u>(640)</u> | <u>1,417</u> |

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



Mr M Hutton - Director

The notes form part of these financial statements

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
for the Year Ended 28th February 2023

| | Called up share capital £'000 | Retained earnings £'000 | Share premium £'000 | Capital redemption reserve £'000 | Total equity £'000 |
|--------------------------------------|--|-------------------------------|---------------------------|---|--------------------------|
| Balance at 1st March 2021 | 32 | (20,443) | 15 | 3 | (20,393) |
| Deficit for the year | - | (8,693) | - | - | (8,693) |
| Total comprehensive loss | - | (8,693) | - | - | (8,693) |
| Balance at 28th February 2022 | 32 | (29,136) | 15 | 3 | (29,086) |
| Deficit for the year | - | (12,256) | - | - | (12,256) |
| Total comprehensive loss | - | (12,256) | - | - | (12,256) |
| Issue of share capital | 6,017 | - | - | - | 6,017 |
| Balance at 28th February 2023 | 6,049 | (41,392) | 15 | 3 | (35,325) |

The notes form part of these financial statements

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**COMPANY STATEMENT OF CHANGES IN EQUITY**

for the Year Ended 28th February 2023

| | Called up share capital £'000 | Retained earnings £'000 | Share premium £'000 | Capital redemption reserve £'000 | Total equity £'000 |
|--------------------------------------|--|--|------------------------------------|---|-----------------------------------|
| Balance at 1st March 2021 | 32 | (8,142) | 15 | 3 | (8,092) |
| Profit for the year | - | 1,417 | - | - | 1,417 |
| Total comprehensive income | - | 1,417 | - | - | 1,417 |
| Balance at 28th February 2022 | 32 | (6,725) | 15 | 3 | (6,675) |
| Deficit for the year | - | (640) | - | - | (640) |
| Total comprehensive loss | - | (640) | - | - | (640) |
| Issue of share capital | 6,017 | - | - | - | 6,017 |
| Balance at 28th February 2023 | 6,049 | (7,365) | 15 | 3 | (1,298) |

The notes form part of these financial statements

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**CONSOLIDATED CASH FLOW STATEMENT**
for the Year Ended 28th February 2023

| | | 2023 | 2022 |
|---|----|----------------|-----------------|
| | | £'000 | £'000 |
| Cash flows from operating activities | | | |
| Cash generated from operations | 26 | (3,850) | (7,690) |
| Interest paid | | (762) | (4,300) |
| Interest element of hire purchase or finance lease rental payments paid | | - | (6) |
| Tax paid | | (365) | 6 |
| Net cash from operating activities | | (4,977) | (11,990) |
| Cash flows from investing activities | | | |
| Purchase of intangible fixed assets | | (502) | (1,141) |
| Purchase of tangible fixed assets | | (41) | (117) |
| Disposal of subsidiary - cash flow | | - | (1,268) |
| Net cash from investing activities | | (543) | (2,526) |
| Cash flows from financing activities | | | |
| New loans in year | | 8,630 | 29,589 |
| Loan repayments in year | | (6,339) | - |
| Capital repayments in year | | - | (14,900) |
| Amount introduced by directors | | 2 | - |
| Amount withdrawn by directors | | - | (56) |
| Share issue | | 6,017 | - |
| Net cash from financing activities | | 8,310 | 14,633 |
| Increase in cash and cash equivalents | | 2,790 | 117 |
| Cash and cash equivalents at beginning of year | 27 | 137 | 20 |
| Cash and cash equivalents at end of year | 27 | 2,927 | 137 |

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the Year Ended 28th February 2023

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

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group'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 2023. Similarly, revenue and expenditure for the period prior to 11 March 2022 has been excluded. Due to a high proportion of customer payments being received around calendar month end, this treatment ensures any fluctuations in fee income which may arise due to how business processing days may fall around calendar month end are eliminated.

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. 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.

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 the Strategic Report.

In September 2022 the debt and equity of the business was restructured. The group obtained a £6.5m loan from OakNorth Bank PLC to be used to fund growth. At the same time a portion of the debt with our investors, Intriva Capital, was repaid and reinvested as share capital.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 28th February 2023. 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 2023

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.

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;
- (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 group's policy; and
- (3) Deferred development expenditure which is capitalised where there is a clearly defined project, related expenditure is separately identifiable and it has been assessed for technical and commercial viability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

2. ACCOUNTING POLICIES - continued

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

| | |
|-------------------|---------------------|
| Goodwill | - 10% on cost |
| Contracts | - 10% on cost |
| Development costs | - 10% & 25% on cost |

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

Tangible fixed assets

Tangible fixed assets are stated at 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 2023

2. ACCOUNTING POLICIES - continued

Leasing commitments

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

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 2023

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 group accounts for amortisation in relation to the acquisition of debt management plan backbooks in accordance with FRS 102. The amortisation and expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets based on historical experience of the length of a typical plan. The amortisation charge in the year is £2,389k (2022 - £2,887k).

Depreciation

The group accounts for depreciation in accordance with FRS 102. The depreciation and expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets which are regularly reviewed to reflect the changing environment. The depreciation charged in the year is £131k (2022 - £337k)

Revenue recognition

The group'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:

| | 2023 | 2022 |
|----------|--------------|---------------|
| | £'000 | £'000 |
| Services | 9,954 | 17,753 |
| | <u>9,954</u> | <u>17,753</u> |

An analysis of turnover by geographical market is given below:

| | 2023 | 2022 |
|----------------|--------------|---------------|
| | £'000 | £'000 |
| United Kingdom | 9,954 | 17,753 |
| | <u>9,954</u> | <u>17,753</u> |

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 28th February 2023**5. EMPLOYEES AND DIRECTORS**

| | 2023 | 2022 |
|-----------------------|---------------------|---------------------|
| | £'000 | £'000 |
| Wages and salaries | 3,503 | 4,163 |
| Social security costs | 410 | 477 |
| Other pension costs | 64 | 73 |
| | <u>3,977</u> | <u>4,713</u> |

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

| | 2023 | 2022 |
|----------------|-------------------|-------------------|
| Administration | <u>118</u> | <u>147</u> |

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

| | 2023 | 2022 |
|--|---------------------|---------------------|
| | £ | £ |
| Directors' remuneration | 536,696 | 424,495 |
| Directors' pension contributions to money purchase schemes | <u>4,288</u> | <u>2,481</u> |

Information regarding the highest paid director is as follows:

| | 2023 | 2022 |
|---|---------------------|---------------------|
| | £ | £ |
| Emoluments etc | 268,147 | 315,093 |
| Pension contributions to money purchase schemes | <u>1,320</u> | <u>1,100</u> |

6. OPERATING LOSS

The operating loss is stated after charging:

| | 2023 | 2022 |
|----------------------------------|------------------|------------------|
| | £'000 | £'000 |
| Hire of plant and machinery | 14 | 19 |
| Other operating leases | 727 | 697 |
| Depreciation - owned assets | 131 | 337 |
| Loss on disposal of fixed assets | 13 | - |
| Goodwill amortisation | 1,710 | 1,697 |
| Development costs amortisation | 426 | 663 |
| Contracts amortisation | 1,963 | 2,224 |
| Auditors' remuneration | <u>40</u> | <u>36</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

7. EXCEPTIONAL ITEMS

| | 2023 | 2022 |
|-------------------------------------|-----------------------|-----------------------|
| | £'000 | £'000 |
| Intercompany bad debt | - | (2,442) |
| Staff settlements | - | (23) |
| Costs of fundamental reorganisation | 606 | (54) |
| Re-financing costs | (531) | (459) |
| Legal accrued income write off | (2,421) | - |
| | <u>(2,346)</u> | <u>(2,978)</u> |

The bad debt above is in relation to the disposal of Moneyplus Energy as a subsidiary to the Group upon entering administration; amounts owed to entity's in the Group at the reporting date were not recoverable and a provision has therefore been made in relation to these balances.

Costs of fundamental reorganisation in the prior year were 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. For the current year it relates to the costs of the liquidation of Moneyplus Legal Ltd where FRP Advisory were appointed the voluntary liquidators on 10th November 2023.

Re-financing costs were security agent, data warehousing and legal fees relating to amendments to the facility agreement.

8. AMOUNTS WRITTEN OFF INVESTMENTS

| | 2023 | 2022 |
|------------------------|-----------------|-----------------------|
| | £'000 | £'000 |
| Disposal of subsidiary | - | (2,680) |
| | <u>-</u> | <u>(2,680)</u> |

On 13th September 2021, Moneyplus Energy entered administration and at this point it was deemed that Group control was lost and therefore a disposal of a subsidiary had occurred. The fair value of the assets disposed was (£2,568,698) and proceeds received was £111,712 resulting in a gain on disposal of investments of £2,680,410.

9. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2023 | 2022 |
|------------------------------|---------------------|---------------------|
| | £'000 | £'000 |
| Bank loan interest | 521 | 188 |
| Other interest paid | 272 | 541 |
| Interest payable | 4,448 | 3,571 |
| Interest on overdue tax paid | - | 6 |
| | <u>5,241</u> | <u>4,306</u> |

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 28th February 2023

10. TAXATION**Analysis of the tax credit**

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

| | 2023 | 2022 |
|-----------------------------|--------------|--------------|
| | £'000 | £'000 |
| Current tax: | | |
| Corporation tax prior years | - | (27) |
| | <u>-</u> | <u>(27)</u> |
| Tax on loss | - | (27) |
| | <u>-</u> | <u>(27)</u> |

Reconciliation of total tax credit included in profit and loss

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

| | 2023 | 2022 |
|---|-----------------|----------------|
| | £'000 | £'000 |
| Loss before tax | (12,256) | (8,720) |
| | <u>(12,256)</u> | <u>(8,720)</u> |
| Loss multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%) | (2,329) | (1,657) |
| | <u>(2,329)</u> | <u>(1,657)</u> |
| Effects of: | | |
| Expenses not deductible for tax purposes | 352 | 996 |
| Income not taxable for tax purposes | - | (509) |
| Depreciation in excess of capital allowances | 368 | 491 |
| Utilisation of tax losses | - | (10) |
| Adjustments to tax charge in respect of previous periods | - | (27) |
| Losses carried forward | 1,609 | 460 |
| Exclusion of disposed subsidiary tax charge | - | 229 |
| | <u>-</u> | <u>229</u> |
| Total tax credit | <u>-</u> | <u>(27)</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.

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

12. INTANGIBLE FIXED ASSETS

Group

| | Goodwill | Development | Contracts | Totals |
|---------------------------|-----------------|--------------------|------------------|---------------|
| | £'000 | costs | £'000 | £'000 |
| | | £'000 | £'000 | |
| COST | | | | |
| At 1st March 2022 | 16,973 | 1,619 | 34,776 | 53,368 |
| Additions | 128 | 264 | 110 | 502 |
| Reclassification/transfer | - | 889 | (503) | 386 |
| At 28th February 2023 | 17,101 | 2,772 | 34,383 | 54,256 |
| AMORTISATION | | | | |
| At 1st March 2022 | 15,138 | 1,564 | 26,287 | 42,989 |
| Amortisation for year | 1,710 | 426 | 1,963 | 4,099 |
| Reclassification/transfer | - | (283) | 469 | 186 |
| At 28th February 2023 | 16,848 | 1,707 | 28,719 | 47,274 |
| NET BOOK VALUE | | | | |
| At 28th February 2023 | 253 | 1,065 | 5,664 | 6,982 |
| At 28th February 2022 | 1,835 | 55 | 8,489 | 10,379 |

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

13. TANGIBLE FIXED ASSETS

Group

| | Short leasehold £'000 | Plant and machinery £'000 | Fixtures and fittings £'000 |
|---------------------------|-----------------------------|---------------------------------|--------------------------------------|
| COST | | | |
| At 1st March 2022 | 566 | 54 | 480 |
| Additions | - | - | 5 |
| Disposals | - | - | (40) |
| Reclassification/transfer | - | - | - |
| At 28th February 2023 | 566 | 54 | 445 |
| DEPRECIATION | | | |
| At 1st March 2022 | 528 | 47 | 470 |
| Charge for year | 17 | - | 6 |
| Eliminated on disposal | - | - | (40) |
| Reclassification/transfer | - | - | - |
| At 28th February 2023 | 545 | 47 | 436 |
| NET BOOK VALUE | | | |
| At 28th February 2023 | 21 | 7 | 9 |
| At 28th February 2022 | 38 | 7 | 10 |

| | Website £'000 | Computer equipment £'000 | Totals £'000 |
|---------------------------|------------------|--------------------------------|-----------------|
| COST | | | |
| At 1st March 2022 | 35 | 1,998 | 3,133 |
| Additions | - | 36 | 41 |
| Disposals | - | (134) | (174) |
| Reclassification/transfer | - | (386) | (386) |
| At 28th February 2023 | 35 | 1,514 | 2,614 |
| DEPRECIATION | | | |
| At 1st March 2022 | 24 | 1,578 | 2,647 |
| Charge for year | - | 108 | 131 |
| Eliminated on disposal | - | (121) | (161) |
| Reclassification/transfer | - | (186) | (186) |
| At 28th February 2023 | 24 | 1,379 | 2,431 |
| NET BOOK VALUE | | | |
| At 28th February 2023 | 11 | 135 | 183 |
| At 28th February 2022 | 11 | 420 | 486 |

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

14. FIXED ASSET INVESTMENTS

Company

**Shares in
group
undertakings
£'000**

COST

At 1st March 2022

30

Additions

6,000

At 28th February 2023

6,030

PROVISIONS

At 1st March 2022
and 28th February 2023

15

NET BOOK VALUE

At 28th February 2023

6,015

At 28th February 2022

15

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 28th February 2023**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 ¹ | England and Wales | Ordinary | 100% | Holding company |

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

| | | | | |
|--------------------------------------|-------------------|----------|------|---------|
| Moneyplus Midco Limited ¹ | England and Wales | Ordinary | 100% | Dormant |
|--------------------------------------|-------------------|----------|------|---------|

The following are subsidiaries of Moneyplus Midco Limited:

| | | | | |
|---|-------------------|----------|------|------------------------|
| Moneyplus Group Limited | England and Wales | Ordinary | 100% | Financial services |
| Moneyplus Insolvency Limited ¹ | England and Wales | Ordinary | 100% | Financial services |
| Moneyplus Telecoms Limited ¹ | England and Wales | Ordinary | 100% | Telephony services |
| Moneyplus Mortgages Limited ¹ | England and Wales | Ordinary | 100% | Financial services |
| Moneyplus Energy Limited [^] | England and Wales | Ordinary | 100% | Domestic energy supply |

The following are subsidiaries of Moneyplus Group Limited:

| | | | | |
|--|-------------------|----------|------|--------------------|
| Debt in Control Limited * | England and Wales | Ordinary | 100% | Dormant |
| Moneyplus Legal Limited ¹ | England and Wales | Ordinary | 100% | Legal services |
| Moneyplus Blackburn Limited * | England and Wales | Ordinary | 100% | Dormant |
| Kensington Knight Limited * | England and Wales | Ordinary | 100% | Dormant |
| Clear Financial Solutions (UK) Limited * | England and Wales | Ordinary | 100% | Dormant |
| The Debt People Limited * | England and Wales | Ordinary | 100% | Dormant |
| Moneyplus 2010 Limited * | England and Wales | Ordinary | 100% | Dormant |
| Patronus Group Limited * | England and Wales | Ordinary | 100% | Dormant |
| R&R Financial Solutions Limited * | England and Wales | Ordinary | 100% | Dormant |
| Hamilton Locke & Co. Limited * | England and Wales | Ordinary | 100% | Dormant |
| Pathfinder Financial Services Limited * | England and Wales | Ordinary | 100% | Dormant |
| Mollykit Ltd * | England and Wales | Ordinary | 100% | Dormant |
| Bright Oak Limited * | England and Wales | Ordinary | 100% | Financial services |

The following are subsidiaries of MoneyPlus 2010 Limited:

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

The following are subsidiaries of Moneyplus Legal Limited:

| | | | | |
|--------------------------------------|-------------------|----------|------|--------------------|
| Richardson Mail Limited ¹ | England and Wales | Ordinary | 100% | Financial services |
| Tenant Protect Limited ¹ | England and Wales | Ordinary | 100% | Financial services |

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 28th February 2023**14. FIXED ASSET INVESTMENTS - continued**

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

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

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

^ Subsidiary entered into administration post year end on 13th September 2021 and was subsequently dissolved on 8th December 2022; the results of Moneyplus Energy Limited are disclosed as discontinued operations.

" Subsidiary entered into liquidation on 10th November 2023.

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

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Company | |
|------------------------------------|--------------|--------------|----------------|--------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Trade debtors | 230 | 614 | - | - |
| Amounts owed by group undertakings | - | - | 1 | - |
| Other debtors | 39 | 134 | - | - |
| Directors' current accounts | 64 | 66 | - | - |
| Tax | 2 | - | - | - |
| VAT | 19 | - | - | - |
| Deferred tax asset | 5 | 5 | - | - |
| Prepayments and accrued income | 5,439 | 5,597 | - | - |
| | <u>5,798</u> | <u>6,416</u> | <u>1</u> | <u>-</u> |
| Deferred tax asset | | | | |
| | Group | | Company | |
| | 2023 | 2022 | 2023 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Accelerated capital allowances | <u>5</u> | <u>5</u> | <u>-</u> | <u>-</u> |

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Company | |
|---|--------------|--------------|----------------|--------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Bank loans and overdrafts (see note 18) | 10 | 10 | - | - |
| Trade creditors | 1,011 | 1,140 | - | - |
| Amounts owed to group undertakings | - | - | 6,725 | 6,139 |
| Tax | - | 365 | - | - |
| Social security and other taxes | 94 | 855 | - | - |
| VAT | - | 102 | - | - |
| Other creditors | 428 | 71 | - | - |
| Accruals and deferred income | 841 | 1,897 | 50 | 50 |
| | <u>2,384</u> | <u>4,440</u> | <u>6,775</u> | <u>6,189</u> |

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

| | Group | | Company | |
|---------------------------|---------------|---------------|----------------|--------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Bank loans (see note 18) | 566 | 538 | 539 | 501 |
| Other loans (see note 18) | 48,265 | 41,526 | - | - |
| | <u>48,831</u> | <u>42,064</u> | <u>539</u> | <u>501</u> |

18. LOANS

An analysis of the maturity of loans is given below:

| | Group | | Company | |
|---|---------------|---------------|----------------|--------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Amounts falling due within one year or on demand: | | | | |
| Bank loans | <u>10</u> | <u>10</u> | <u>-</u> | <u>-</u> |
| Amounts falling due between one and two years: | | | | |
| Bank loans - 1-2 years | 10 | 10 | - | - |
| Bank loans - 2-5 years | 17 | - | - | - |
| | <u>27</u> | <u>10</u> | <u>-</u> | <u>-</u> |
| Amounts falling due between two and five years: | | | | |
| Management loans - 2-5 years | 539 | 528 | 539 | 501 |
| Other loans - 2-5 years | 48,265 | 41,526 | - | - |
| | <u>48,804</u> | <u>42,054</u> | <u>539</u> | <u>501</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

18. LOANS - continued

Included in the above are loan notes totalling £39,313k which are repayable on 16 March 2023.

The above loan notes all have an annual interest charge ranging between 8% - 20%.

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

| Group | Non-cancellable operating leases | |
|----------------------------|---|---------------------|
| | 2023 | 2022 |
| | £'000 | £'000 |
| Within one year | 546 | 511 |
| Between one and five years | 2,182 | 2,117 |
| In more than five years | 2,695 | 3,087 |
| | <u>5,423</u> | <u>5,715</u> |

20. SECURED DEBTS

The following secured debts are included within creditors:

| | Group | |
|-------------|----------------------|----------------------|
| | 2023 | 2022 |
| | £'000 | £'000 |
| Bank loans | 576 | 548 |
| Other loans | 48,265 | 41,526 |
| | <u>48,841</u> | <u>42,074</u> |

These loans are secured by fixed and floating charges over all the property and undertakings of the group.

21. DEFERRED TAX

| Group | £'000 |
|-------------------------------|-------------------|
| Balance at 1st March 2022 | (5) |
| Balance at 28th February 2023 | <u>(5)</u> |

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

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**
for the Year Ended 28th February 2023**22. CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: | | Nominal value: | 2023 | 2022 |
|----------------------------------|------------|----------------|------------------|---------------|
| Number: | Class: | | £ | £ |
| 4,007,953 | Ordinary A | £1.00 | 4,007,953 | 20,113 |
| 23,957 | Ordinary B | £1.00 | 23,957 | 11,797 |
| 1,693,737 | Ordinary C | £0.01 | 16,937 | - |
| 2,000,000 | Preferred | £1.00 | 2,000,000 | - |
| | | | <u>6,048,847</u> | <u>31,910</u> |

The Ordinary, Ordinary A shares, Ordinary B shares & Ordinary C 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.

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

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

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

24. RELATED PARTY DISCLOSURES

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

Fees of £184k (2022: £136k) were incurred during the period to connected entities of R Saunders, K Chung, A Iverson, E McNicol and C Davis. There was £1k (2022: £10k) outstanding at the reporting date.

25. ULTIMATE CONTROLLING PARTY

Plus Acquisition Holdings Ltd are considered to be the ultimate controlling party by virtue of their share holding in the company.

MONEYPLUS HOLDINGS LIMITED (REGISTERED NUMBER: 07580434)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 28th February 2023

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

| | 2023 £'000 | 2022 £'000 |
|---------------------------------------|----------------|----------------|
| Loss before taxation | (12,256) | (8,720) |
| Depreciation charges | 4,227 | 4,922 |
| Loss on disposal of fixed assets | 13 | - |
| Profit on disposal of subsidiary | - | (2,680) |
| Finance costs | 5,241 | 4,306 |
| | (2,775) | (2,172) |
| Decrease in trade and other debtors | 618 | 6,186 |
| Decrease in trade and other creditors | (1,693) | (11,704) |
| Cash generated from operations | (3,850) | (7,690) |

27. 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 2023

| | 28/2/23 £'000 | 1/3/22 £'000 |
|---------------------------|------------------|-----------------|
| Cash and cash equivalents | 2,927 | 137 |

Year ended 28th February 2022

| | 28/2/22 £'000 | 1/3/21 £'000 |
|---------------------------|------------------|-----------------|
| Cash and cash equivalents | 137 | 20 |

28. ANALYSIS OF CHANGES IN NET DEBT

| | At 1/3/22 £'000 | Cash flow £'000 | At 28/2/23 £'000 |
|---------------------------------|--------------------|--------------------|---------------------|
| Net cash | | | |
| Cash at bank and in hand | 137 | 2,790 | 2,927 |
| | 137 | 2,790 | 2,927 |
| Debt | | | |
| Debts falling due within 1 year | (10) | - | (10) |
| Debts falling due after 1 year | (42,064) | (6,767) | (48,831) |
| | (42,074) | (6,767) | (48,841) |
| Total | (41,937) | (3,977) | (45,914) |