

Company Registration No. 10696778 (England and Wales)

BANKIFI TECHNOLOGY LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR

BANKIFI TECHNOLOGY LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

BANKIFI TECHNOLOGY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		15,974		9,230
Investments	4		1		-
			<u>15,975</u>		<u>9,230</u>
Current assets					
Debtors	5	289,722		154,695	
Cash at bank and in hand		375,672		691,330	
		<u>665,394</u>		<u>846,025</u>	
Creditors: amounts falling due within one year	6	<u>(192,408)</u>		<u>(112,014)</u>	
Net current assets			<u>472,986</u>		<u>734,011</u>
Total assets less current liabilities			<u>488,961</u>		<u>743,241</u>
Creditors: amounts falling due after more than one year	7		<u>(37,811)</u>		<u>-</u>
Net assets			<u>451,150</u>		<u>743,241</u>
Capital and reserves					
Called up share capital	8		123		123
Share premium account			1,475,277		1,475,277
Profit and loss reserves			<u>(1,024,250)</u>		<u>(732,159)</u>
Total equity			<u>451,150</u>		<u>743,241</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

BANKIFI TECHNOLOGY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 29 March 2021 and are signed on its behalf by:

C Fry
Director

Company Registration No. 10696778

BANKIFI TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

BankiFi Technology Limited is a private company limited by shares incorporated in England and Wales. The registered office is 17 St Ann's Square, Manchester, M2 7PW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

1.2 Going concern

During 2020 the company made its first significant software package sale to a major financial sector customer. The company continues to develop its product suite, some of which are in the early stages of launch. Whilst the company has made a loss before tax of £490,234, it has cash in hand of £375,672 and the directors are confident based on the current cash projections that the company is able to meet its liabilities as they fall due for 12 months from the balance sheet date. Furthermore, the company is actively engaged in seeking new investment and finance which will enable it to remain a going concern after this date. Therefore, these accounts have been prepared on a going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	20% Straight line
Computers	20% Straight line

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

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

BANKIFI TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

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

BANKIFI TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Current tax

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

Deferred tax

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

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

1.10 Employee benefits

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

1.11 Retirement benefits

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 11 (2019 - 5).

	2020 Number	2019 Number
Total	11	5

BANKIFI TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2020	9,878
Additions	10,119
	<u> </u>
At 31 December 2020	19,997
	<u> </u>
Depreciation and impairment	
At 1 January 2020	648
Depreciation charged in the year	3,375
	<u> </u>
At 31 December 2020	4,023
	<u> </u>
Carrying amount	
At 31 December 2020	15,974
	<u> </u>
At 31 December 2019	9,230
	<u> </u>

4 Fixed asset investments

	2020	2019
	£	£
Shares in group undertakings and participating interests	1	-
	<u> </u>	<u> </u>

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2020	-
Additions	1
	<u> </u>
At 31 December 2020	1
	<u> </u>
Carrying amount	
At 31 December 2020	1
	<u> </u>
At 31 December 2019	-
	<u> </u>

BANKIFI TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Debtors			2020	2019
			£	£
Amounts falling due within one year:				
Trade debtors			-	26,905
Corporation tax recoverable			198,143	120,682
Amounts owed by group undertakings			23,879	-
Other debtors			67,700	7,108
			<u>289,722</u>	<u>154,695</u>
			<u><u>289,722</u></u>	<u><u>154,695</u></u>
6 Creditors: amounts falling due within one year			2020	2019
			£	£
Bank loans			4,689	-
Trade creditors			53,788	54,665
Taxation and social security			37,197	21,925
Other creditors			96,734	35,424
			<u>192,408</u>	<u>112,014</u>
			<u><u>192,408</u></u>	<u><u>112,014</u></u>
7 Creditors: amounts falling due after more than one year			2020	2019
			£	£
Bank loans and overdrafts			37,811	-
			<u>37,811</u>	<u>-</u>
			<u><u>37,811</u></u>	<u><u>-</u></u>
Creditors which fall due after five years are as follows:			2020	2019
			£	£
Payable by instalments			3,748	-
			<u>3,748</u>	<u>-</u>
			<u><u>3,748</u></u>	<u><u>-</u></u>
8 Called up share capital			2020	2019
			£	£
Ordinary share capital	2020	2019	2020	2019
Issued and fully paid	Number	Number	£	£
Ordinary Shares of 1p each	11,379	11,379	114	114
A Ordinary Shares of 1p each	906	906	9	9
	<u>12,285</u>	<u>12,285</u>	<u>123</u>	<u>123</u>
	<u><u>12,285</u></u>	<u><u>12,285</u></u>	<u><u>123</u></u>	<u><u>123</u></u>

BANKIFI TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Called up share capital

(Continued)

On 23 July 2019 the company issued 906 A Ordinary 1p shares for a consideration of £995,000 and 1,192 Ordinary 1p shares for a consideration of £325,000. On 18 July 2019 the £175,000 of issued loan notes were converted to 187 Ordinary 1p shares.

The issue of shares resulted in total share premiums of £1,494,977 and associated issue costs of £19,700. At the year end the balance of the share premium account was £1,475,277.

All shares rank pari-passu.

9 Operating lease commitments

Lessee

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

2020	2019
£	£
-	4,722
<u> </u>	<u> </u>

10 Related party transactions

At the end of the period, BankiFi Technology Limited owed Merchant Box Limited, a company with common control, £24,267 (2019 - £24,267). This loan is interest free, repayable on demand and included within other creditors.

During the year, Bankifi Technology Ltd met expenses of £23,880 on behalf of it's subsidiary, Incomeing Ltd. This amount was outstanding at the year end and is included within debtors falling due within one year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.