Moneta Midco I Limited

Annual report and financial statements

for the year ended 31 December 2016

Registered number: 115889

Moneta Midco I Limited

Financial statements for the year ended 31 December 2016

Company information

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside

London

SE1 2RT

Bankers

Barclays Bank Plc

Level 11

1 Churchill Place

London

E14 5HP

Directors

S Green

N Haslehurst

Company registration number

115889

Date of incorporation

4 June 2014

Trading name

Moneta Midco I Limited

Registered office

47 Esplanade,

St Helier

Jersey

JE1 0BD

Correspondence address

Floor 5, Zig Zag Building

70 Victoria Street

London

SW1E 6SQ

Moneta Midco I Limited

Financial statements for the year ended 31 December 2016

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Moneta Midco I Limited
Directors' report
For the year ended 31 December 2016

The Directors present their report and the audited financial statements of Moneta Midco I Limited incorporated in the United Kingdom 'the Company' for the year ended 31 December 2016.

Principal activities

The principal activities of the Company are investment holding and the provision of management services.

Results and dividends

The income statement for the year is set out on page 8. The Directors do not recommend the payment of a dividend (year ended 31 December 2015: nil).

Directors

The Directors listed below have served the Company during the year and up to the date of this report:

S Green	Non-Executive
N Haslehurst	Executive

Charities and donations

No donations were made for charitable or political purposes during the year (year ended 31 December 2015: nil).

Going concern

The financial statements have been prepared on a going concern basis.

Statement of Directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Companies (Jersey) Law 1991, requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Moneta Midco I Limited
Directors' report
For the year ended 31 December 2016

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each director in office at the date the Directors' Report is approved:

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

On behalf of the board

N Haslehurst

Director

21 August 2017

Moneta Midco I Limited
Strategic report
For the year ended 31 December 2016

The directors present their strategic report for the year ended 31 December 2016.

Review of the business and future developments

The principal activities of the Company are Investment holding and the provision of management services.

The profit for the year after taxation amounted to £0.2m (2015: £0.4m). Net assets at 31 December 2016 were £52.1m (2015: £51.9m).

Risks and uncertainties

Financial risk

- **Interest rate risk** - The Company's interest rate risk arises primarily from it borrowings. The fixed nature of its interest rates, however, eliminates exposure to cash flow interest rate risk.
- **Liquidity risk** – During 2014 the Moneta Bidco Limited, a subsidiary company, entered into a £95m senior credit facility and the Company took £110m of shareholder loan note debt repayable in 2024. The Directors consider that this in combination with other credit facilities provide sufficient liquidity to meet the funding requirements for the Company's group companies.
- **Credit risk** - Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. The main credit exposure to the Company comes from its loan to a subsidiary company.

Physical risk - Physical risk arises from the Company's exposure to theft, misappropriation or damage to its physical assets. The Company maintains appropriate physical security measures and operates suitable policies and procedures to mitigate this risk. The Company also maintains appropriate levels of insurance to limit its exposure.

N Haslehurst

Director

21 August 2017

Report on the financial statements

Our opinion

In our opinion, Moneycorp Financial Risk Management Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991..

What we have audited

The financial statements, included within the Annual Report and the Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

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

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

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept, or
- proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' responsibilities set out on page 3-4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

James Hewer

James Hewer (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

21 August 2017

Moneta Midco I Limited
Company Income statement
For the year ended 31 December 2016

	Note	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Continuing operations			
Revenue		-	-
Administrative expenses		(18)	(27)
Operating loss	2	**(18)**	**(27)**
Finance income	5	12,688	11,875
Finance costs	6	(12,502)	(11,425)
Profit before tax		**168**	**423**
Tax	7	-	-
Other comprehensive income net of tax		-	-
Total profit and comprehensive income for the year		**168**	**423**

All results derive from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the years stated above and their historical cost equivalents.

The notes on pages 12 to 21 form part of the financial statements.

Moneta Midco I Limited
Balance sheet
As at 31 December 2016

	Note	31 December 2016 £000	31 December 2015 £000
Non-Current assets			
Investments	8	51,365	51,365
Loan to Group entities	9	139,893	127,205
		191,258	**178,570**
Current assets			
Trade and other receivables	10	-	4
Total assets		**191,258**	**178,574**
Current liabilities			
Trade and other payables	11	(1,689)	(1,675)
Non-Current liabilities			
Borrowings	12	(137,498)	(124,996)
Total liabilities		**(139,187)**	**(126,671)**
Net assets		**52,071**	**51,903**
Equity			
Called up share capital	13	51,365	51,365
Retained earnings		706	538
Total equity		**52,071**	**51,903**

The financial statements of Moneta Midco I Limited (registered number 115889) from pages 8 to 21 were approved by the board of directors and authorised for issue on 21 August 2017. The directors do not have the power to amend the financial statements after issue. They were signed on its behalf by:

Director
N Haslehurst

21 August 2017

Moneta Midco I Limited
Statement of changes in equity
For the year ended 31 December 2016

	Called up share capital £000	Retained earnings £000	Total equity £000
Balance at 1 January 2016	**51,365**	**538**	**51,903**
Profit and total comprehensive for the year	-	168	**168**
Balance at 31 December 2016	**51,365**	**706**	**52,071**

Moneta Midco I Limited
Statement of cash flows
For the year ended 31 December 2016

	Note	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Net cash from operating activities	3	-	-
Financing activities			
Interest paid		-	-
Net cash movement in financing activities		-	-
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-

1. Significant accounting policies

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies (Jersey) Law 1991 and International Financial Reporting Standards ("IFRSs") as adopted by the European Union. The principal accounting policies, which have been applied consistently, are set out below. These policies have been consistently applied to all the years presented unless otherwise stated. The comparative information has been restated in accordance with IFRS as adopted by the European Union. These financial statements have been presented to the nearest thousand pounds.

(a) Basis of preparation

The financial statements have been prepared on a going concern basis.

(b) Foreign currencies

In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date. Exchange gains or losses are included in arriving at the operating loss.

(c) Investments

Investment holdings are valued at the lower of cost and net realisable value as at the balance sheet date. The carrying amounts of investments are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any indication exists, the assets recoverable amount is estimated to determine the amount of impairment loss. An impairment loss is recognised in the income statement in the period it arises.

(d) Financial instruments

Financial instruments are classified as financial assets, financial liabilities or equity instruments, and are initially recognised when the Company becomes party to the contractual provisions of the instrument.

Financial assets

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value.

Trade and other receivables are initially measured at fair value. Subsequently they are carried at amortised cost using the effective interest method less any provision for impairment. A provision for bad debt is made when it is likely that the balance will not be recovered in full.

Financial liabilities

Trade and other payables are initially measured at fair value. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Borrowings are initially measured at fair value less attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest rate basis.

1. Significant accounting policies (continued)

(e) New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IAS 7 Disclosure Initiative - Amendments to IAS 7

IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses - Amendments to IAS 12

IFRS 15 Revenue from Contracts with Customers

IFRS 9 Financial Instruments

IFRS 2 Classification and Measurement of Share-based Payment Transactions - Amendments to IFRS 2

Transfers of Investment Property (Amendments to IAS 40)

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration

IFRS 16 Leases

Annual improvements to IFRSs: 2012 – 2014 Amendment to: IAS 28 Investments in Associates and Joint Ventures, IFRS 12 Disclosure of Interests in Other Entities

2012 – 2014 Discontinued Operations, IFRS 7 Financial Instruments: Disclosures, IAS 19 Employee Benefits and IAS 34 Interim Financial Reporting

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods, except for the version of IFRS 9 issued in 2014, mandatorily effective for periods starting on or after 1 January 2018, may impact the disclosures of financial instruments.

(f) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

2. Operating loss

Operating loss is stated after charging fees payable to the Company Auditor and tax consultant for:

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
The audit of the financial statements	10	6
Other services relating to taxation	-	-
	10	**6**

3. Operating cash flow

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Operating loss	**(18)**	**(27)**
Movements in working capital:		
Increase in receivables	(12,684)	(11,880)
Increase in payables	12,516	11,457
Cash generated by operations	**(186)**	**(450)**
Interest receivable	12,688	11,875
Interest payable	(12,502)	(11,425)
Net cash from operating activities	-	-

4. Employee information

The Company has no employees other than the Directors throughout the current and previous year.

5. Finance income

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
PIK note interest	12,688	11,875
	12,688	**11,875**

The terms of the unsecured loan notes are disclosed in note 9.

6. Finance costs

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
PIK note interest	12,502	11,425
	12,502	**11,425**

The terms of the unsecured loan notes are disclosed in note 12.

7. Tax

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Current tax	-	-
Deferred tax	-	-
Total tax expense	-	-

Corporation tax is calculated at 20% (2015: 20.25%) of the estimated assessable profit for the year.

7. Tax (continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	Year Ended 31 December 2016 £000	Year Ended 31 December 2015 £000
Profit before tax	168	423
Tax at the current tax rate of 20% (2015: 20.25%)	34	86
Tax effect of group relief	(34)	(86)
Total tax expense for the year	-	-

8. Investments

	£000
At 31 December 2015	51,365
Acquisition	-
At 31 December 2016	51,365

The Directors' consider the carrying value of the investments is supported by the present value of anticipate future earnings generation.

Company name	Nature of business	Class of shares	Proportion held	Investment value
Moneta Midco II Limited	Investment holding	Ordinary	100%	51,365

The Share Capital in the above investment is all wholly owned by the Company at the balance sheet date.

8. Investments (continued)

The companies below are indirect subsidiaries of the Company:

Company name	Place of incorporation (or registration and operation	Proportion of ownership interest %	Proportion of voting power held %
Moneta Bidco Limited	Jersey	100%	100%
Regent Acquisitions (Holdings) Limited	Jersey	100%	100%
Regent Acquisitions Limited	Cayman Islands	100%	100%
TTT Moneycorp Limited	UK	100%	100%
Moneycorp Financial Risk Management Limited	UK	100%	100%
Moneycorp Technologies Limited	UK	100%	100%
Moneycorp CFX Limited	UK	100%	100%
Moneycorp SLU	Spain	100%	100%
Moneycorp Inc	USA	100%	100%
TTT Moneycorp Pty Ltd.	Australia	100%	100%
Moneycorp SAS	France	100%	100%
Moneycorp Bank Limited	Gibraltar	100%	100%
Moneycorp Brasil Participacoes Ltda	Brazil	100%	100%

9. Loan to Group entities

	31 December 2016 £000	31 December 2015 £000
Amount owed by Subsidiary undertaking	139,893	127,205
	139,893	127,205

On 29 August 2014 Moneta Midco II issued 111.6m of unsecured loan notes to the Company. The loan notes carry a compound interest rate of 10% and are redeemable in full on 31 December 2024.

10. Trade and other receivables

	31 December 2016 £000	31 December 2015 £000
Prepayments and accrued income	-	4
	-	4

11. Trade and other payables

	31 December 2016 £000	31 December 2015 £000
Accruals and deferred income	8	14
Amounts owed to Group companies	1,681	1,661
	1,689	1,675

12. Borrowings

	31 December 2016 £000	31 December 2015 £000
Loan notes	137,498	124,996
	137,498	124,996

On 29 August 2014 the Company issued 106.6m of unsecured loan notes to Bridgepoint Europe IV (Nominees) Limited and £3.4m to the management team of TTT Moneycorp Limited. The loan notes carry a compound interest rate of 10% and are redeemable in full on 31 December 2024.

13. Called up share capital

	31 December 2016 £000's	31 December 2015 £000's
Authorised: 51,365 million (2015: 51,365 million) ordinary shares of £1 each	51,365	51,365
Issued and fully paid: 51,365 million (2015: 51,365 million) ordinary shares of £1 each	£51,365	£51,365

The Company has one class of ordinary shares which carry no right to fixed income.

14. Financial Instruments

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern.

The capital structure of the Company consists of net debt (borrowings after deducting cash and bank balances) and equity comprising issued capital, reserves and retained earnings as disclosed in note 13 and the Company statement of changes in equity.

Gearing ratio

The gearing ratio at the year-end is as follows.

	31 December 2016 £000	31 December 2015 £000
Debt	137,498	124,996
Cash	-	-
Net debt	**137,498**	**124,996**
Equity	52,071	51,903
Net debt to equity ratio	264%	241%

Debt is defined a long- and short- term borrowings as detailed in this note.

Equity includes all capital and reserves of the Company that are managed as capital.

The net debt to equity is in line with expectations.

14. Financial Instruments (continued)

Categories of financial instruments

	31 December 2016 £000	31 December 2015 £000
Financial assets		
Loan and receivables	139,893	127,209
	139,893	**127,209**
Financial liabilities		
Borrowings and payables	(139,187)	(126,671)
	(139,187)	**(126,671)**

Financial risk management

The main risks arising from the Company's borrowings are market risk (mainly interest rate risk) and liquidity risk.

Foreign currency risk management

The Company is not exposed to foreign currency risk as all its balances are denominated in Sterling.

Credit risk management

The maximum credit risk exposure of the Company in the event of other parties to performing their obligations is detailed below:

	31 December 2016 £000	31 December 2015 £000
Loan and receivables	139,893	127,209
Total credit exposure	139,893	127,209

The maximum exposure to loss is considered to be the balance sheet carrying amount as at the year end.

14. Financial Instruments (continued)

Credit quality

In the absence of external credit ratings, the credit quality of financial assets that are neither past due nor impaired are assessed by management taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal limits set by the board. As at 31 December 2016 the material balance related to a loan to Moneta Midco II Limited, a subsidiary company.

	31 December 2016 £000	31 December 2015 £000
Loan to Moneta Midco II Limited	139,893	127,205
Total credit exposure	139,893	127,205

Interest rate risk management

The Company's interest rate risk arises primarily from its borrowings. The fixed nature of its interest rates, however, eliminates exposure to cash flow interest rate risk.

Liquidity risk management

The following table details the Company's expected maturity for its non-derivative financial liabilities. The tables below have been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those assets.

	Within 1 year £000	Between 1 and 2 years £000	Between 2 and 5 years £000	5+ years £000	Total £000
31 December 2016					
Other payables	(1,689)	-	-	-	(1,689)
Borrowings	-	-	-	(294,339)	(294,339)
	(1,689)	-	-	(294,339)	(296,028)
31 December 2015					
Other payables	(1,675)	-	-	-	(1,675)
Borrowings	-	-	-	(294,339)	(294,339)
	(1,675)	-	-	(294,339)	(296,014)

15. Related parties

The Company has a loan receivable from Moneta Midco II Limited, a subsidiary company, of £127m.

Balances between the Company and TTT Moneycorp Limited, a subsidiary company, are disclosed as part of other payables in note 11 to the financial statements.

Balances between the Company and Bridgepoint Europe IV (Nominees) Limited, the Company's ultimate parent, are disclosed as part of other payables in note 12 to the financial statements.

The company has no other related party balances.

During the year the Company earned finance income on its loan to Moneta Midco II Limited of £12m and finance cost payable to Bridgepoint Europe IV (Nominees) Limited of £11m.

The Company had no other related party transactions.

16. Remuneration of key management personnel

Emoluments for the services of the directors are paid by TTT Moneycorp Limited.

17. Contingent liabilities and financial commitments

The company had no contingent liabilities or financial commitments at the reporting date (2015: nil).

18. Ultimate holding company and control

At the balance sheet date, the Directors consider that the Company's ultimate parent is Moneta Topco Limited (100% effective holding), incorporated and registered in Jersey. This company produces consolidated financial statements, which may be obtained from 5th Floor, Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ. The ultimate controllers of Moneta Topco Limited at the balance sheet date were Bridgepoint Europe IV (Nominees) Limited.