Company registration number 04947859 (England and Wales)

FIINU PLC

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

About Fiinu

Fiinu Plc ("Fiinu"), founded in 2017, is a publicly traded (LSE: BANK) fintech group, listed on the London Stock Exchange AIM-market, that has developed the world's first Bank Independent Overdraft® platform. The platform, which can be white labelled to other banks, allows lenders to offer Fiinu's flagship product, Plugin Overdraft® to retail consumers. Plugin Overdraft® is an unbundled overdraft solution that allows customers to have an overdraft without changing their existing bank.

Fiinu's vision is that the Bank Independent Plugin Overdraft® platform will create a totally new market, an infrastructure where unbundled overdrafts will increase financial fairness and freedom for everyone, everywhere.

The underlying technology platform is bank agnostic, and it enables Fiinu to serve all other banks' customers. With customer's consent, the platform can already connect to more than 100 million bank accounts in the UK, i.e. any of the retail customer's existing primary bank accounts, no matter which bank they use. Fiinu's vision is built around Open Banking, and it believes that it increases competition and innovation in financial services market.

Fiinu Holdings Limited

Fiinu Holdings Limited (registered in England and Wales with Company number 10544700) ("Fiinu Holdings") is a 100% owned subsidiary of Fiinu Plc. Fiinu Holdings Limited is the holder and developer of Fiinu's intellectual property rights (IPR) and fintech modules, which will include a range of innovative new products. The IPR has been initially developed for the inter-company client, Fiinu 2 (formerly Fiinu Bank Limited) to launch the Plugin Overdraft in the UK. The IPR is stored in a data warehouse and the technical solution was independently audited by Grant Thornton.

Fiinu 2 Limited (formerly Fiinu Bank Limited)

Fiinu 2 Limited (registered in England & Wales with Company number 12973786) ("Fiinu 2") received its restricted bank licence from the Bank of England regulators, PRA and the FCA, in July 2022.

The company underwent 12 months mobilisation during which, its Board concluded that it was able to attest to the Regulators all but one of the conditions which Regulators set to enable the launch of the Fiinu Bank without restrictions. The last remaining condition was an attestation that Fiinu 2 had raised the required capital, including the regulatory capital. Since the Fiinu 2 Board were unable to give Regulators a definitive attestation that it had all the capital required to exit mobilisation, the company had no choice but to hand back its deposit-taking bank licence. As a result of this, Fiinu Bank Limited had to change its name to Fiinu 2 Limited since the word "bank" is a protected, sensitive business name and it cannot be used without a bank licence or permission of the FCA.

The current focus of Fiinu 2 remains obtaining the necessary capital from its parent company, Fiinu Holdings, to support the re-application of the unrestricted bank licence. If successful, Fiinu will be in a position to launch a new app-based digital bank. Ahead of making the re-application in order to ensure the required level of technological and regulatory readiness for the business to re-initiate the process, a hiring process will need to be undertaken by the Board.

The app-based digital bank would initially have just two core products, a one-year fixed term deposit and a Plugin Overdraft. Currently, Fiinu 2 is therefore a "bank-in-a-box". The data room includes over 2,000 pages of relevant regulatory documentation to exit mobilization. The submitted and stored banking licence application is over 4,000 pages of documentation.

FIINU PLC

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FIINU PLC

COMPANY INFORMATION

Directors	D Hopton	
	J Liow Yune Loy	(Resigned 31/12/2023)
	H Evans	(Resigned 31/12/2023)
	C Sweeney	(Resigned 31/12/2023)
	P Tansey	(Resigned 28/06/2023)
	S Leathers	
	M Sjoblom	
Secretary	AMBA Secretaries Limited 400 Thames Valley Park Drive Reading, RG6 1PT	
Company number	04947859	
Registered office	Ibex House Baker Street Weybridge KT13 8AH	
Auditor	F.W. Smith, Riches & Co 15 Whitehall London SW1A 2DD	
Brokers	Panmure Gordon (UK) Limited 40 Gracechurch Street London EC3V 0BT	
Nominated Adviser	Spark Advisory Partners Limited 5 St John's Lane London EC1M 4BH	
Solicitors	Fladgate LLP 16 Great Queen Street London WC2B 5DG	

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

Chair Review

As I deliver my second-year statement as Chair of Fiinu Plc, I am buoyed by the resilience and determination of all those who worked so hard to make Fiinu a success amidst very challenging capital market conditions, especially for pre-revenue, financial services startups like Fiinu with novel new products. As stated in recent public announcements, while the team succeeded in getting to a position where we could attest to the Regulators the operational readiness of Fiinu Bank, we were unable to give the Regulators a definitive attestation that we had raised the regulatory capital required to exit mobilisation; consequently, we were left with no choice but to return our banking licence.

Despite this setback, we remain steadfast in our commitment to playing our part in revolutionising banking services by providing the underserved with our Plugin Overdraft®. We believe that millions of customers will eventually benefit from this product, which Fiinu remains committed to bringing to the market. I must, however, acknowledge that we still have work to do before reapplying for our banking licence.

Being unable to raise exit capital was a huge disappointment and, as a result, we had to resort to a cost-cutting programme to preserve our options. However, I want to acknowledge that it was no small achievement to have been able to attest to the accomplishment of all the other conditions set by the PRA and the FCA to exit mobilisation. As a result of being so close to achieving our most important strategic goal, the Board has stated its intention to continue to pursue our chosen strategy and to seek to raise the required funding to reapply for our banking licence as soon as possible.

I would also like to take this opportunity to extend my thanks to the many executive and staff members, as well as the Board members who stepped down at the end of 2023. Their contributions were outstanding. Although the Board is smaller as a result of these departures, we continue to work within a robust governance framework, which I believe has the knowledge and skills to seize the opportunities I am still convinced lie ahead for our group.

Finally, I would like to thank our shareholders for their support which has been a cornerstone of our resilience and to thank them for their patience. I acknowledge that the challenges of accessing capital markets remain and this must weigh heavily on our shareholders' minds, as it does on the Board’s, but I ask them for their continued support which is now more crucial than ever.

Outlook

As we look towards 2024 and beyond, all those remaining at Fiinu do so with a sense of determination to get firm commitments to providing us with the capital we need to renew our operational readiness to reapply for our banking licence and to becoming authorised to commence trading as quickly as possible. Our vision remains clear and unchanged, and I wish to provide assurance that the Board will be striving to pursue it with vigour on behalf of all our shareholders.

David Hopton
Chair

CHIEF EXECUTIVE'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

CEO Review

I remain committed to the principles of our original mission and the vision, which I set as the founder seven years ago: “The Bank Independent Plugin Overdraft® platform will create a totally new market, an infrastructure where unbundled overdrafts will increase financial fairness and freedom for everyone, everywhere.” My unwavering dedication is a testament to our collective belief in the transformative power of our vision. Despite the challenges we faced in 2023, there is still cause for optimism, including but not limited to:

1. We now have a “bank-in-a-box”. The data room includes over 2,000 pages of relevant regulatory documentation to exit mobilisation and licensable technology infrastructure which could now access more than 100 million bank accounts in the United Kingdom. Fiinu Bank (since renamed Fiinu 2) was ready to attest all but one of the conditions (capital missing) set by the PRA and the FCA to exit mobilisation, including an external independent technical audit by Grant Thornton and a technical walk through with Regulators. The submitted and stored banking licence application is over 4,000 pages of documentation. We believe in the future value of this intellectual property, and although we may have written it down in accounting terms, it does not represent a loss of any intellectual property as the bank is in the box.

2. We have the liquidity to remain solvent and continue as a going concern. At the 2023 year-end, we had circa £1.3m cash-at-bank. Following the successfully executed cost-cutting programme, we have now reduced our average monthly burn rate below £50k (April 2024 to March 2025) and hence we maintain sufficient cash runway to continue to seek the exit capital required to reapply for our banking licence.

3. We still believe in the market opportunity, which is ripe and growing, both home and abroad. The annual UK unsecured gross lending market is circa £345 billion. There are over 100 million bank accounts, of which, 80 million do not have access to overdraft currently. Our research suggests that circa 29 million consumers would be very likely to add a Plugin Overdraft® to their bank account as long as they didn’t need to switch their bank. We want to re-open that market as nearly two-thirds (62%) of the UK adult population with a bank account used some form of overdraft annually prior to the major reform in 2020.

Outlook

We believe our solution has the potential to be disruptive for the banking landscape and it will improve financial inclusion for millions of people. Our resilience has been strong to get to where we are today, and we are continuing our efforts to raise the conditional capital to obtain an unrestricted banking licence, but we will also be raising further interim funding to re-establish operational readiness as required.

Meanwhile, we will also explore technology licencing, white-labelling and joint venture opportunities, in the UK and overseas. We remain optimistic that we can overcome the challenge of securing additional capital and look forward with excitement to the big picture opportunities that lie ahead.

Marko Sjoblom
Chief Executive Officer

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present the strategic report for the year ended 31 December 2023.

Overview

The Fiinu Group comprises of four legal entities, the publicly traded Fiinu Plc, which owns 100% of its subsidiary Fiinu Holdings Limited, which further owns two 100% subsidiaries, Fiinu 2 Limited (formerly Fiinu Bank Limited) and Fiinu Services Limited (together the "Group").

Fiinu Plc

Fiinu Plc (registered in England and Wales with Company number 04947859) is the Group's TopCo, which has its ordinary shares admitted to trading on AIM in London (LSE: BANK). The main purpose of Fiinu Plc is to access the capital markets and fund its wholly owned subsidiaries.

Fiinu Holdings Limited

Fiinu Holdings Limited ("Fiinu Holdings") (registered in England and Wales with Company number 10544700) develops and holds the intellectual property and fintech modules, which will include a range of innovative new products, initially for use by Fiinu Bank Limited (currently Fiinu 2 Limited).

Fiinu 2 Limited (formerly Fiinu Bank Limited)

Fiinu 2 Limited ("Fiinu 2") (registered in England & Wales with Company number 12973786) is a wholly owned subsidiary of Fiinu Holdings. Fiinu 2 intends to change its name back to Fiinu Bank Limited when it will be able to launch as a bank.

Fiinu Services Limited

Fiinu Services Limited ("Fiinu Services") registered in England & Wales with Company number 12973742) is a wholly owned subsidiary of Fiinu Holdings which is currently not operational. The company will focus on providing turnkey support and technology solutions for banks, including but not exclusively limited to its sister company, Fiinu 2.

Group vision

Our Bank Independent Plugin Overdraft® platform, once launched, will create a totally new market, an infrastructure where unbundled overdrafts will increase financial fairness and freedom for everyone, everywhere.

Financial Overview

A summary of the Group's performance for the financial period is set out below:

	12 months ended 31 December 2023 £'000	**9 months ended 31 December 2022 £'000**
Revenue	-	-
Administrative expenses	(7,223)	(8,219)
Net finance (expenditure)/income	(1,111)	2
Operating loss from continuing operations	(8,334)	(8,217)
Income tax income	16	378
Total loss for the period	(8,318)	(7,839)

Financial analysis

At the time of the reverse takeover ("RTO"), Fiinu Holdings was identified as the acquirer for accounting purposes and thus the 2022 financial statements reported were for a nine month period, representation a continuation of the Fiinu Holdings business. The changes in the group for the year 31 December 2023 compared to the nine months ended 31 December 2022 were as follows:

Revenue: No revenue has been generated by the group in the year to 31 December 2023 and the nine months ended 31 December 2022.

Expenses: Operational costs have been presented to show people and non-people costs.

	12 months ended 31 December 2023 £'000	9 months ended 31 December 2022 £'000
Pre-RTO	-	(318)
Post- RTO		-
Non-people costs	(4,011)	(5,661)
People costs	(4,323)	(2,238)
Total	(8,334)	(8,217)

Key Performance Indicators

The key targets of the Directors over the financial year have been to develop the technology to support the Fiinu Bank mobilisation and to secure the required funding to enable Fiinu 2 to launch as an unrestricted bank in the UK. Unfortunately, although the Board was able to attest to the Regulators on all but one of the exit conditions, Fiinu 2 withdrew its banking licence application in July 2023 as the 12-months mobilisation period end was approaching. The Board’s focus remains on raising the necessary capital to support Fiinu 2's re-application for a banking licence. Comparatives for the prior period ended 31 December 2022 provide no use within this report and consequently only those KPIs employed currently are presented here comprising available liquidity, being relevant KPIs for the Group.

1. AVAILABLE LIQUID RESOURCES

	31 December 2023 £'000	Target £'000
Cash and near-cash assets	1,311	8,000 (Operational and/or technical readiness)
		35,000 (commitment capital required to exit mobilisation)

The Group's target is to secure capital commitments as indicated above. This will allow the Group to rebuild the core technical and support team and prepare to resubmit its application for an unrestricted banking licence as the banking licence requires full operational readiness. Restoring operational readiness will also allow the group to offer its technology platform to other banks who may wish a white label solution. The capital requirement to launch the bank will be raised on a conditional basis, i.e., the funds and equity will most likely only be exchanged upon the PRA and the FCA confirming in writing the granting of the unrestricted bank licence. Should the regulators deem the application complete, they will have up-to six months statutory period to approve or decline the application. The application will be updated but will broadly be the same as the regulators have already reviewed.

Likely future developments

Alongside the fundraising activities to re-launch Fiinu as a Bank, the Group will also explore technology licencing opportunities, such as white-labelling its technology solution to other banks, in the UK and overseas.

Dividends

The Board does not propose to pay a dividend in respect of the financial period (31 December 2022: £nil).

Statement of Financial Position

Total net assets were £0.8m (31 December 2022: £7.3m) and net current assets £0.8m (31 December 2022: £6.2m). Cash balances at period-end were £1.3m (31 December 2022: £7.0m).

Risks and Uncertainties

Risk appetite is established, reviewed and monitored by the Board. The Group, through the operation of its committee structure, considers all relevant risks and advises the Board as necessary. The Group maintains a comprehensive risk register as part of its risk management framework promoting a risk-based approach to the internal controls and management of the Group.

Liquidity and capital risk

The Group's primary focus remains unchanged. Given the steps taken to preserve existing liquidity, a hiring process will need to be undertaken ahead of the re-application process for a bank licence to ensure the required level of technological and regulatory readiness. To mitigate risk, the Board continues to focus on ensuring that the financial position remains robust and suitably liquid.

Operational risk

Operational risk is the risk of loss to the Group resulting from inadequate or failed internal processes, people, and systems, or from external events. Proactive measures such as internal review and staff training are implemented to enhance operational resilience and minimize the likelihood of operational risk incidents.

Business continuity risk is the risk that serious damage or disruption may be caused because of a breakdown or interruption, from either internal or external sources, of the business of the Group. This risk is mitigated by the Group having business continuity and disaster recovery arrangements including business interruption insurance in place.

The Group seeks to ensure that its risk management framework and control environment continuously monitor and address emerging operational risks on an ongoing basis.

Credit risk

At at present, there is no credit risk with the exception to that of the major banks with whom the Group places its cash resources.

Regulatory risk

The Group operates in a highly regulated environment in the UK. The Directors monitor changes and developments in the regulatory environment and ensure that sufficient resources are available for the Group to implement any required changes. The impact of the regulatory environment on the Group's management of its capital is discussed in note 26 of the financial statements.

Environment
The Group is developing its Environmental policy which is underpinned by its overall Environmental, Social and Governance ('ESG') initiative. Further updates will be provided on the strategy and progress in the 31 December 2024 annual statements.

Section 172 Statement

Broader Stakeholder Interests
Directors of the Group must consider Section 172 of the Companies Act 2006 which requires them to act in the way that would most likely promote the success of the Group for the benefit of all its stakeholders. The Board and its committees consider who its key stakeholders are, the potential impact of decisions made on them considering a wider range of factors, including the impact on the Company's operations and the likely consequences of decisions made in the long term. The Group's key stakeholders, material issues and how the Board and the Group have engaged with them during the year is set out below.

Employees
The CEO on behalf of the Board engages with contractors and other stakeholders through a variety of methods including regular updates and meetings. At the year-end, the Group had a limited number of employees.

Shareholders
The support from existing shareholders and the investment made in the Company by new shareholders is indicative of the support shown by shareholders in the overall strategy. Through a challenging year for the Group, updates were provided through the Regulatory News Service via the London Stock Exchange to keep shareholders updated of progress on funding. A number of Board members and employees also hold the Group's shares and regular communications are provided. Shareholders have been in the past and will be in the future invited to attend the Annual General Meeting. For this year, the annual report and accounts for the year ended 31 December 2023 along with all past accounts, relevant regulatory communications and other material is set out on the Group's website at www.fiinuplc.com.

Regulators
The Board recognises the importance of good regulatory relationships and is absolute in its insistence on continuous and open communication with the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA") as well as with the London Stock Exchange. Regular ongoing dialogue has continued through the CEO with the Company's Nominated Adviser, SPARK Advisory Partners Limited and the PRA and the FCA are updated on the progress of funding to support a re-application for Fiinu 2 Ltd's UK banking licence.

Customers
Our future customers are fundamental to the business of the Group and the Board recognises that their interests are of paramount importance as is the benefit that the Board believes will be provided to those future customers by the Group's services.

Community and Suppliers
The Board through its Executive Directors are keenly focused on its key supplier relationships especially those of an outsourced variety and constantly challenges and reviews its arrangements.

Each of the Board members consider that they have acted together, in good faith in a way most likely to promote the success of the Group for the benefit of its broader range of stakeholders as a whole taking into account section 172 of the Companies Act 2006.

Approved for issue by the Board of Directors and signed on its behalf.

M Sjoblom
Director

22 April 2024

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors' annual report and financial statements for the year ended 31 December 2023.

Principal activities
The principal activity of the Group is banking and technology infrastructure to support bank(s) to provide overdrafts through Open Banking to retail customers.

Results and dividends
The results for the year are set out on page 28.

The Directors do not propose to pay a dividend for the period to 31 December 2023 (31 December 2022: £nil).

The corporate governance statement set out on pages 12 to 18 forms part of this report.

Going concern
The financial statements have been prepared on a going concern basis. In assessing going concern, the Directors have considered the current statement of financial position, the financial projections, longer-term strategy of the business and the capital and liquidity plans, including stress tests and plans for future capital injections.

During the year, the group reported that it was facing challenges in raising the full amount of funding required for Fiinu Bank Limited to launch without regulatory restrictions and commence its banking operations in the UK. Accordingly, Fiinu Bank Limited applied to withdraw its banking licence with the aim of re-applying once the Board would be able to attest to the regulators that the funding is secured.

Following the withdrawal of the banking licence application, Fiinu Bank changed its name to Fiinu 2 Limited and the group initiated controlled cost reductions in order to provide additional time to determine the best way forward for shareholders.

As at 31 December 2023 the group had available cash resources of £1.3 million. The Directors have prepared forecasts for a period of at least 12 months from the date of signing of these financial statements. Based on the current projection, the Directors believe that there are sufficient funds for the forecast expenditure for at least the next 12 months. However, it is anticipated that the group will need to raise capital beyond this period in order to proceed with its operational strategy. This represents a material uncertainty that may cast significant doubt on the group's and company's ability to continue as a going concern. However, the Directors have a reasonable expectation that this uncertainty can be managed to a successful outcome, and based on that assessment, the group and company will have adequate resources to continue in operational existence for the foreseeable future.

The financial statements do not reflect any adjustments that would be required to be made if they were to be prepared on a basis other than the going concern basis.

Financial instruments and risk management
Details of risks and risk management arising from the Group's financial instruments are set out in note 25 of the financial statements.

Directors
The Directors who held office during the year and their interest in the shares of the Company were as follows:

	31 December 2023 Number of shares	**31 December 2022 Number of shares**
D Hopton	1,396,325	1,396,325
P Tansey (resigned 28 June 2023)	-	-
C Sweeney (resigned 31 December 2023)	1,114,701	1,114,701
M Sjoblom	125,182,668	125,182,668
J Loy (resigned 31 December 2023)	698,163	698,163
H Evans (resigned 31 December 2023)	-	-
S Leathers	-	-

On 31 December 2023 (and as previously announced on 29 September 2023), Jerry Loy, Huw Evans and Chris Sweeney stepped down from the Company's Board in the absence of any new potential funding developments.

From 1 January 2024, the Company's Board of Directors consists of David Hopton (Non-executive Chairman), Simon Leathers (Senior Independent Non-executive Director) and Marko Sjoblom (Founder and Chief Executive Officer). The Company intends to recruit further independent non-executive directors, as appropriate.

Further details of Directors' service contracts, remuneration, share interests and interests in options over the Company's shares can be found in the Remuneration Report.

Major Shareholdings

At the date of publication of this report, the Company had been notified of the following shareholdings (other than those of the Directors) of 3% or more of the share capital:

	Ordinary shares	**%**
M Horrocks	33,696,561	12.26
Kindred Capital	19,629,673	7.14
N & J Rush	11,379,270	4.14
C Akers	8,760,000	3.19

Political Contributions

The Group and Company did not make any political donations or incur any political expenditure during the year (December 2022: nil).

Qualifying Third Party Indemnity Provisions

The Company has arranged qualifying third-party indemnity for all of its Directors.

Auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Mazars LLP stepped down as auditors following the decision by the Company to appoint an audit firm that is aligned to the current stage of the Company's development. F.W. Smith, Riches & Co (a member of MGI Worldwide) were appointed as auditor and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be appointed will be put at the Annual General Meeting.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Approved for issue by the Board of Directors and signed on its behalf.

M Sjoblom
Director

22 April 2024

DIRECTORS' BIOGRAPHIES

FOR THE YEAR ENDED 31 DECEMBER 2023

DAVID HOPTON

Non-Executive Director, Chair

David is an experienced Board member with over 40 years' experience in financial services. He is a former banker and regulator with extensive knowledge of financial services and governance. Prior to Fiinu, David's experience includes 17 years at the Bank of England, 22 years in Senior Management teams in UK banking industry and ten years as a Non-Executive Director and External Adviser.

As a central banker, David was involved in research, policy, regulation, money and government bond markets, industrial finance and industrial relations, including two years at the Bank of International Settlement in Basel, as Secretariat to a G10 Governors Committee. At Abbey National / Santander, David was the Deputy Head of Santander Global Banking and Markets UK, and a member of Santander UK senior management team. David was member of ALCO, Risk and Executive Committees. David was responsible for a Short-Term Markets trading profit centre and for the management of short-term liquidity.

After retiring from executive management, David was appointed as Independent Non-Executive Director for Punjab National Bank International Limited, a retail bank catering specifically for the needs of Indian communities in the UK, where as well as being Senior Independent Director David served as the Chair of Management Committee of Board and Chair of Board Risk Committee. David was also a member of Audit and Compliance Committee and Nomination and Remuneration Committee. Until the end of 2023, David was also an Independent Non-Executive Director at Masthaven Bank in the UK.

MARKO SJOBLOM

Founder and Chief Executive Officer

Marko is a successful second-time entrepreneur and the Founder of Fiinu. He is a former elite athlete with a doctorate in artificial intelligence and unbundling banking services. His fintech experience includes over ten years on Wall Street and in the City of London including ten years with leading banking, treasury, risk and payments companies. He has served as a treasury steering committee member at four DAX-30 companies.

Prior to Fiinu, Marko founded one of the largest overdraft-style lenders in the UK which developed a fully automated software robot that lent and recovered over $1 billion in small increments in the UK without reliance on credit bureau data. His previous business was independently valued at $171 million after five years.

Prior to becoming an entrepreneur, Marko was a Sales Director at Reval, a Wall Street based hedge accounting and quant risk modelling platform. The company was acquired by Carlyle Group, through a $280 million LBO. Marko was a Director at Kyriba, an in-house bank and payment factory SaaS platform which became a unicorn after receiving a $160 million investment from Bridgepoint Capital. Marko was also with Trema for five years, helping large incumbent banks and corporate treasuries to manage their risk through straight-through-process automation. The company was acquired by Warburg Pincus, through a $150 million LBO in 2006 and later by ION Group.

SIMON LEATHERS

Non-Executive Director

Simon is a Senior Corporate Finance / Capital Markets professional with over 20 years of experience advising and executing a wide range of corporate finance transactions, with roles including Main Market Sponsor, AIM NOMAD and Takeover Code (Rule 3) adviser. An agile and highly commercial PwC trained FCA and Chartered MCSI with a broad range of public and private company corporate finance experience across a range of industry sectors, most notably the IT and natural resource sectors.

At Fiinu, Simon brings his experience in the finance and capital markets sector as an iNED and Senior Independent Non-Executive Director. Simon previously fulfilled a similar role with Immedia Group PLC.

Outside of Fiinu, Simon works as the Finance Director of Oxford Nanoimaging Limited, a super resolution microscopy manufacturer. Prior to this role, Simon was the CFO of Conversity, a B2B SaaS provider of Intelligent Guided Selling Solutions. having previously provided PLC and Lead Advisory services with BDO LLP, an international accountancy and business advisory firm, and several Equity Capital Market brokerages. During this time Simon acted as an AIM NOMAD for over 7 years and an LSE Main Market Sponsor for over 3 years. Through his various roles, Simon has regularly advised company boards on capital markets and corporate action matters.

MARTIN STEWART

Board Advisor

Martin Stewart has over 20 years of board-level experience as an executive, non-executive, adviser and regulator. Martin offers the UK and European operational resilience experience, ranging from start-ups to major corporates, with worldwide advisory and regulatory insights.

Prior to Fiinu, Martin was a Director at the Bank of England Prudential Regulation Authority, responsible for the authorisation of new banks and some 600 banks, building societies and credit unions. He was the chairman of the International Credit Union Regulators Network (ICURN), the world body of regulators of credit unions, mutuals and financial co-operatives. At the Financial Services Authority, he was a member of the leadership team that defined and implemented the UK's post financial crisis prudential regulatory regime that now underpins the work of the PRA.

Martin is a highly experienced adviser to banks, regulators, start-up banks and international financial institutions on risk and regulatory policy matters. He is also a Visiting Professor at The London Institute of Banking & Finance. Martin is currently serving as a Non-Executive Director – Chair Board Risk Committee at Coventry Building Society and the Chair of Danske Bank UK.

HUW EVANS

Board Advisor

Huw was 30 years with Barclays Bank in various roles. He has a very strong banking risk and credit background including a role as the Risk Director with the 12 countries that then comprised Barclays Africa & Middle East and, latterly, 10 years with banks in the Middle East in similar roles. Huw is an enterprise-wide risk professional who is used to building strong relationships at C-Suite and Board levels.

He is an experienced wholesale and debt capital markets practitioner, as well as being thoroughly versed in all aspects of consumer lending, portfolio optimisation and auto-decisioning, developed and proven over many years. Prior to joining Fiinu, Huw was Group Chief Credit Officer at the Commercial Bank of Qatar where he was responsible, amongst other things, for all aspects of enterprise-wide consumer credit origination, processing, scoring and recovery. Huw also owned the risk control framework for BMI Bank (Bank Muscat International) in Bahrain, as their Chief Risk Officer. Huw was also an iNED for Fiinu Plc until 31 December 2023.

Huw is currently an INED at All Africa Capital Limited, a financial services business based in London that has applied to the PRA for a banking licence.

PETRI RAHJA

Board Advisor

Petri has a background of over 30 years in financial technology. He is an experienced retail banking executive with a strong focus on overdrafts, unsecured credit products, digital- and mobile banking technologies. Petri has been a Chief Product Officer and Chief Technology Architect for two retail banks in Scandinavia over the last 5 years and has empirical knowledge of the short-term credit market across Europe, including the implementation of an intuitive mobile app, core banking technologies and the Open Banking enabled API first integrations.

Prior to Fiinu, Petri worked at one of the leading Finnish specialist lenders, a group which provides overdrafts and overdraft-style short-term credit products to retail and wholesale customers in 23 countries. Petri redesigned their mobile and digital banking strategy. That group holds a European deposit-banking license from Maltese authorities to collect loan-book funding. Petri redesigned the specialist lender's mobile banking app and helped the firm to build overdraft-style short-term credit products for retail customers across Europe.

Petri was also the Chief Technology Architect at OP Financial Group, one of the largest banking groups in Finland and the 50th largest bank in the European Union, with a balance sheet of about 140 billion and 3 billion euros in revenue. The bank employs over 12,000 people. His responsibility was to increase automation, replace legacy technologies, seek out new business opportunities and collaborate on partnerships with FinTech firms. Petri helped OP Bank in its digital transformation to define a technology strategy to replace its core banking systems.

CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

Fiinu Plc choses to adhere to the 2018 UK Corporate Governance Code (the “UK Corporate Governance Code”), which was issued in July 2018 by the Financial Reporting Council and is available at www.frc.org.uk. The UK Corporate Governance Code sets out guidance in the form of principles and provisions on how companies should be directed and controlled to follow good governance practice. Companies listed in the UK are required to disclose how they have applied the main principles and whether they have complied with its provisions throughout the financial year. Where the provisions have not been complied with, companies must provide an explanation.

Throughout the year to 31 December 2023, the Company has complied with the provisions set out in the UK Corporate Governance Code, except for the following matters:

Provision 5

Engagement with the workforce, one or a combination of the following methods should be used by the Company: a director appointed from the workforce, a formal workforce advisory panel, or a designated non-Executive Director - Due to the re-establishment of operations within the Group this area has yet to be addressed and will be reviewed throughout the year.

Provision 21

The Board should carry out a formal and rigorous annual evaluation of the performance of the Board, its committees, the Chair and individual Directors. The chair should consider having a regular externally facilitated Board evaluation – The Audit Committee is charged with the responsibility for arranging a review of Board effectiveness which it will commission and conduct over the forthcoming 12 months. As part of its preparations to become a bank, Fiinu 2 underwent an external board effectiveness review in 2023 which resulted in a satisfactory assessment.

Statement of Compliance with TCFD

Due to the re-establishment of operations within the Group, this strategy is being developed and will be reviewed throughout the year.

Viability statement and other disclosures

Following the commencement of trading operations within the Group these disclosures will be developed and enhanced throughout the year.

Independence

The Board is confident that all the Non-Executive Directors during the year satisfied the independence criteria of the UK Corporate Governance Code on their appointment and continued to satisfy those criteria. All significant commitments which the Directors have outside of the Company are disclosed and monitored on an ongoing basis where there are any changes. The Board is satisfied that each of the Non-Executive Directors commits sufficient time to their duties and fulfils their obligations to the Company.

This statement has been collectively prepared by the Board of Directors of the Company (the “Board”). The Board refers to the Code as a useful guide to assist in articulating how the Company approaches and applies good corporate governance and this report sets out the Company’s application of the Code, by the Board, and where appropriate, cross references other sections of the Annual Report. Where the Company’s practices depart from the expectations of the Code, the Board has given an explanation as to why.

The main principles of the Code and the Board’s assessment of compliance by the Company are set out below:

Code Principle Leadership	**How the company applies it**
The Role of the Board Every company should be headed by an effective board which is collectively responsible for the long-term success of the company	- Board has been structured to ensure that the correct mix of skills and experience are in place to allow it to operate effectively; - Board meetings are scheduled regularly, with supplementary meetings held as required. A rolling plan of items for discussion is reviewed regularly so that all matters reserved to the Board, with others as appropriate, are discussed; - The structure and business of the Board is designed to ensure that the Directors focus on the strategy, monitoring, governance and performance of the Company; - There is a clear schedule of Matters Reserved for the Board for decision making which includes; setting and reviewing the Group's long-term objectives, commercial strategy, business plan and annual budget; overseeing the Group's operations and management; governance and risk control issues and major capital projects.
Division of Responsibilities There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company's business	- The roles of Board Chair and Chief Executive are not the same individual; - The division of responsibilities between the two roles is set out in writing and is reviewed by the Board annually so it remains relevant and accurate; - The Chair's role is to lead and manage the Board, and to play a role in facilitating the discussion of the Company's strategy by the Board; - The Chief Executive Officer with the Executive is responsible for the day-to- day management of the Company's operational activities, and for the proper execution of strategy, as set by the Board; - There is no dominant individual or group of individuals on the Board unduly influencing its collective decision-making ability.
Independence of Tenure The tenure of an Independent Director shall be limited	The tenure of an Independent Director shall be limited to a cumulative term of nine (9) years from the date of first appointment without further extension. Upon completion of nine (9) years tenure, an Independent Director will vacate his/her Board seat from the Company.
The Chair The Chair is responsible for leadership of the board and ensuring its effectiveness	- With support from the Company Secretary the Chair has full responsibility for setting the Board's agenda; - The Chair sets the meeting timetable, actively encourages contribution from all Directors in Board meetings, and is responsible for ensuring that constructive interaction is on-going between the individual members of the Board.

<u>Non-Executive Directors</u> As part of their role as members of a unitary board, Non-Executive Directors should constructively challenge and help develop proposals on strategy	- The Chair encourages an open environment in Board meetings and ensures that Non-Executive Directors are provided with adequate time and opportunity in such meetings to give their views and challenge the Executive Directors; - The Chair and Non-Executive Directors met during the year without the Executive Directors being present in order to scrutinise the performance of Executive Management and for any significant issues or problems arising to be discussed; - The Senior Non-Executive Director acts as an intermediary between the Chair and the other Directors.
Effectiveness <u>The Composition of the Board</u> The board should have a balanced mix of skills, experience, knowledge and independence to enable them to discharge their responsibilities and duties effectively	- Board has been structured to ensure that correct mix of skills and experience are in place to allow it to operate effectively; - The Board currently has two independent Non-Executive Directors and one Executive Director and it intends to hire another independent Non-Executive Director during 2024; - The composition of the Board is reviewed by the Nomination Committee to ensure it has the appropriate balance of skills, experience and knowledge of the Company.
<u>Appointments to the Board</u> There should be a formal, rigorous and transparent procedure for the appointment of new Directors to the Board	- Appointment of new Directors to the Board is led by the Nomination Committee who has the responsibility for nominating candidates for appointment as Directors to the Board, bearing in mind the need for diversity and a broad representation of skills across the Board; - Further detail on the work of the Nomination Committee can be found on page 18.
<u>Commitment</u> All Directors should be able to allocate sufficient time to the company to discharge their responsibilities effectively	- The time commitment required from each Director is stipulated within their letter of appointment and discussed openly between the Chair and relevant Director; - The Nomination Committee is responsible for considering on an annual basis, whether each Director is able to devote sufficient time to their duties.
<u>Development</u> All Directors should receive an induction on joining the board and should regularly update and refresh their skills and knowledge	- New Directors will receive an induction pack which contains information on the Group's business, its structure and operations, Board procedures, corporate governance related matters and details regarding Directors' duties and responsibilities; - All new Directors are introduced to the Executive Team; - As part of the Board Evaluation process, training and development needs are considered and training courses are arranged, where appropriate.

Information and Support

The Board should be supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties

- The Chair, with the assistance of the Company Secretary, ensures that the Directors receive accurate, timely and clear information;
- All Directors receive appropriate documentation in advance of each Board and Committee meeting including detailed briefings on all matters in order to discharge their duties effectively in considering a matter and reaching a decision on it;
- The Board has an annual rolling plan of items for discussion which is reviewed and adapted regularly to ensure all matters reserved to the Board, with other items as appropriate, are discussed. At each meeting, the Chief Executive Officer updates the Board on the Groups financial performance, key operational developments, the Company's relationship with investors and potential investors and shareholder analysis;
- Meeting proceedings and any unresolved concerns expressed by any Director are minuted by the Company Secretary. Other members of management are also invited to attend Board meetings to present on specific business issues and proposals. This way the Board is given the opportunity to gain a more in-depth understanding of key areas of the business. External speakers are also invited to present to the Board on topical industry issues. All of these topics lead to discussion, debate and challenge amongst the Directors.

Evaluation

The Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors

- The Nomination Committee instructed an evaluation of the composition and effectiveness of the Board of Fiinu 2 and its Committees be undertaken by an external provider;
- The Chair met with the Non-Executive Directors during the year without the Executive Directors present to discuss Board balance, monitor the powers of individual Executive Directors and raise any issues between themselves as appropriate. Led by the Senior Independent Director, the Non-Executive Directors also met during the year without the Chair present to appraise his performance and to discuss any other necessary matters as appropriate.

Re-election

All Directors should be submitted for re-election at regular intervals, subject to continued satisfactory performance

- The Company's Articles of Association require a Director to be subject to election at the first Annual General Meeting ('AGM') following their appointment and thereafter every third year;
- However, in accordance with the Code, all Directors will be subject to re-election at the 2024 AGM.

Accountability

Financial and Business Reporting

The board is to present a fair and understandable assessment of the company's position & prospects	- The Directors' report is set out in full in the Annual Report and Accounts. This includes an explanation concerning the Directors' responsibility for preparing the Annual Report and Accounts and a statement that the Directors' consider the Annual Report and Accounts, taken as a whole, to be fair, balanced and understandable and that it provides the information necessary for shareholders to assess the Company's performance, business model and strategy; - The Strategic Review section of the Company's Annual Report and Accounts set outs the strategic objectives of the Company and how these will be delivered and the details of Fiinu's business model to describe how the Company will generate and preserve value over the longer term.

Risk Management and Internal Control

The board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The board should maintain sound risk management and internal control systems	- A section explaining the Risk and Uncertainties is set out in the Strategic report and the Board takes overall responsibility for risk management with a particular focus on determining the nature and extent of the significant risk it is willing to take in achieving its strategic objectives ("risk appetite"); - The activities of the Audit Committee are set out on page 18; - The Board has overall responsibility for maintaining and reviewing the Group's systems of internal control and ensuring that the controls are robust and effective in enabling risks to be appropriately assessed and managed; - On behalf of the Board, the Audit Committee conducts an annual review of the effectiveness of the systems of internal control including financial, operational and compliance controls and risk management systems.

Audit Committee and Auditors

The board should establish formal and transparent arrangements for considering how they should apply the corporate reporting and risk management and internal control principles and for maintaining an appropriate relationship with the company's auditors	- The Board reviews the operation and effectiveness of the Group's risk management activities through the Audit Committee, which undertake the day-to-day oversight of the risk management framework on behalf of the Board; - The Chair of the Audit Committee regularly provides an update on the work carried out by the Audit Committee to the Board.

Renumeration

The Level and Components of Remuneration

Executive Directors' remuneration should be designed to promote the long-term success of the company. Performance-related elements should be transparent, stretching and rigorously applied	- The Board delegates responsibility for setting appropriate levels of remuneration for its Executive Directors to the Remuneration Committee; - An appropriate alignment of interests between Executive Directors and shareholders through remuneration is a key goal of the Remuneration Committee, and an underlying principle for its decision-making.

Procedure	
There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. No Director should be involved in deciding their own remuneration	-The Remuneration Committee oversees the process and procedures utilised for the development of policies on executive Remuneration within which no Director is involved in regard to their own situation.
Relations with Shareholders	
Dialogue with shareholders	
There should be a dialogue with shareholders based on the mutual understanding of objectives. The board as a whole has responsibility for ensuring that a satisfactory dialogue with shareholders takes place	- The Board recognises and values the importance of updating the Company's shareholders through Regulatory News Service updates via the London Stock Exchange; - Meetings are periodically held with major shareholders. Normally, these meetings are with the Chief Executive Officer. The whole Board is briefed on the outcome of these meetings and any issues raised are discussed; - The Chair is contactable at the Company's registered office address to answer any queries that both institutional and individual shareholders may have.
Constructive use of general meetings	
The board should use general meetings to communicate with investors and to encourage their participation	- All of the Directors aim to attend the AGM and value the opportunity of welcoming individual shareholders and other investors to communicate directly and address their questions; - In addition to the mandatory information required, a full, fair and balanced explanation of the business of all general meetings is sent in advance to shareholders.

At the date of this report the Group Board consists of one Executive and two Non-Executive Directors. The company will also look to recruit further independent Non-Executive directors, as appropriate. The Board is responsible for the overall direction and strategy of the Group and meets regularly throughout the year. Under the Company's Articles of Association at every AGM, any of the Directors:

- who have been appointed by the Directors since the last AGM; or
- who were not appointed or reappointed at one of the preceding two AGMs,
- must retire from office and may offer themselves for reappointment by the members.

The Board has formally established a number of committees and agreed their terms of reference, as follows:

Remuneration Committee

The principal function of the Remuneration Committee is to determine the policy on Executive appointments and remuneration. The committee consists of Simon Leathers and David Hopton with Simon Leathers as Chair. In accordance with the UK Corporate Governance Code, the Chair of the Board can be a member of the Remuneration Committee if they were independent on appointment. It is the aim of the committee to attract, retain and motivate high caliber individuals with a competitive remuneration package.

Remuneration for Executives normally comprises basic salary, bonus, benefits in kind and options. Details of the current Directors' remuneration are given in the Remuneration Report (page 20).

CEO may be invited to attend the meetings.

Audit Committee

Up to 31 December 2023, the Audit Committee consisted of Jerry Loy, Huw Evans and Simon Leathers with Jerry Loy as Chair. Following the resignations of Jerry Loy and Huw Evans on 31 December 2023, the committee now consists of Simon Leathers as Chair. The Company will look to recruit further independent non-executive directors, as appropriate and it is intended that they will be invited to join the committee. The Audit Committee is responsible for reviewing the Company's arrangements with its external and internal auditors, including the cost effectiveness of the audit and the independence and objectivity of the auditors. It also reviews the application and appropriateness of the Company's accounting policies, including any changes to financial reporting requirements brought about by both external and internal requirements and it gives consideration to all major financial announcements made by the Company including its interim and preliminary announcements and annual report and accounts. The Audit Committee is charged with the responsibility for arranging a review of Board effectiveness which it will commission and conduct over the forthcoming 12 months.

The external auditors, internal auditors, Executive Directors and Chair of the Board may be invited to attend the meetings.

Nomination Committee

Up to 31 December 2023, the Nomination Committee consisted of David Hopton, Jerry Loy, Huw Evans and Simon Leathers with David Hopton as Chair. Following the resignation of Jerry Loy and Huw Evans on 31 December 2023, the committee now consists of David Hopton and Simon Leathers with David Hopton as Chair. The Company will look to recruit further independent non-executive directors, as appropriate and it is intended that they will be invited to join the committee. It is the aim of the committee to identify and nominate potential candidates to fill Board vacancies; to consider succession planning and to consider appropriate training for the Board.

Executive Committee

The committee is led by the CEO. The committee is responsible for oversight of all delegated functions by the Board and the day-to-day operational business. In addition, it is responsible for ensuring the strategy of the Board is implemented and any issues that need to be communicated to the Board are recorded as such.

Internal control

The Board has overall responsibility for the framework of internal control established by the Group and places critical importance on maintaining a strong control environment. This framework of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Detailed internal control procedures exist throughout the Group's operations and compliance is monitored by management and through the Group's in-house Audit and the Executive Committees.

On behalf of the Board

David Hopton
Chair
22 April 2024

The Directors present the Directors' Remuneration Report (the "Remuneration Report") for the financial year ended 31 December 2023.

Composition and Role of the Remuneration Committee

As detailed within the Corporate Governance report, the Board has established a Remuneration Committee which up to 31 December 2023 consisted of Simon Leathers as Chair, Jerry Loy and Huw Evans with Simon Leathers as Chair. Following the resignations of Jerry Loy and Huw Evans, from 1 January 2024 the Remuneration Committee now consists of Simon Leathers and David Hopton and the committee is chaired by Simon Leathers. In accordance with the UK Corporate Governance Code, the Chair of the Board can be a member of the Remuneration Committee if they were independent on appointment. The Company will look to recruit further independent non-executive directors, as appropriate, and it is intended that they will be invited to join the committee.

The committee determines and agrees with the Board the framework and policy of Executive remuneration and the associated costs to the Group and is responsible for the implementation of that policy. The committee determines the specific remuneration packages for each of the Executive Directors and no Director or Senior Executive is involved in any decisions as to their own remuneration. The committee has access to information and advice provided by the CEO has access to independent advice where it considers it appropriate.

This report explains how the Group has applied its policy on remuneration paid to Executive Directors.

Framework and Policy on Executive Directors' Remuneration

The Group's remuneration policy is designed to provide competitive rewards for its Executive Directors and other senior executives, taking into account the performance of the Group and the individual executives, together with comparisons to pay conditions throughout the markets in which the Group operates. It is the aim of the committee to attract, retain and motivate high caliber individuals with a competitive remuneration package.

Basic Salary

Basic salaries are reviewed on an annual basis or following a significant change in responsibilities. The committee seeks to establish a basic salary for each Executive determined by individual responsibilities and performance, taking into account comparable salaries for similar positions in companies of a similar size in the same market.

<u>**Incentive Arrangements**</u>

Bonuses

These are designed to reflect the Group's performance, taking into account the performance of its peers, the market in which the Group operates and the individual's contribution to that performance.

Performance related contractual incentive scheme

These are designed to reward performance by employees across the Group.

Share Options

The Group intends to implement two different share ownership plans for employees and other staff members; a Company Share Option Scheme ("CSOP") and an unapproved share option scheme.

Other Employee Benefits

Depending on the terms of their contract certain Executive Directors and Senior Executives are entitled to a range of benefits, including contributions to private medical insurance and life assurance.

Service Contracts and Notice Periods
The Executive Directors are employed on rolling contracts subject to six months' notice from either the Executive or the Group, given at any time. Contracts of employment for Senior Executives were all on a rolling basis subject to notice periods ranging from three to six months.

Service contracts do not provide explicitly for termination payments or damages, but the Group may make payments in lieu of notice. For this purpose, pay in lieu of notice would consist of basic salary and other relevant emoluments for the relevant notice period excluding any bonus.

External Appointments undertaken by Executive Directors
In the committee's opinion, experience of other companies' practices and challenges is valuable for the personal development of the Group's Executive Directors and for the Company. It is therefore the Group's policy to allow Executive Directors to accept directorships at other companies, provided the time commitment does not interfere with the Executive Directors' responsibilities within the Group. Fees are retained by the individual Executive Director.

Non-Executive Directors
All Non-Executive Directors have a letter of appointment for an initial period of twelve months and thereafter on a rolling basis subject to three months' notice by either the Non-Executive Director or the Group, given at any time.

In the event of termination of their appointment they are not entitled to any compensation. The terms and conditions of appointment of Non-Executive Directors are available for inspection by any person at the Group's administrative office during normal working hours on any day except weekends or bank holidays.

Non-Executive Directors' fees are determined by the Remuneration Committee having regard to the need to attract high caliber individuals with the right experience, the time and responsibilities entailed, and comparative fees paid in the market in which the Group operates. They are not eligible for pensions.

Directors' Emoluments
The remuneration of each Director as listed on page 1, Company Information, excluding share options and awards, during the period ended 31 December 2023 is set out in the table below:

	Salary	Benefits	Bonus	31 December 2023 Total	31 December 2022 Total	31 December 2023 Pension	31 December 2022 Pension
Executive							
C Sweeney	485,385	-	-	**485,385**	431,647	-	-
P Tansey	47,094	-	-	**47,094**	45,833	-	-
M Sjoblom	-	-	-	**-**	-	-	-
Non - Executive							
D Hopton	90,000	-	-	**90,000**	74,024	-	-
S Leathers	18,750	-	-	**18,750**	12,500	-	-
H Evans	60,000	-	-	**60,000**	40,000	-	-
J Loy	60,000	-	-	**60,000**	40,000	-	-
	761,229	-	-	**761,229**	**644,004**	-	-

From 1 January 2024, Marko Sjoblom became CEO and agreed to defer his remuneration subject to raising sufficient capital to re-apply for a banking licence. From 1 January 2024, David Hopton also agreed to defer his remuneration as Non-Executive Chair, subject to raising sufficient capital to re-apply for a banking licence.

DIRECTORS' RESPONSIBILITES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the group and parent company financial statements in accordance with UK – adopted international accounting standards (IFRSs) and the requirements of the Companies Act 2006. The Directors must not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of affairs of the group and parent company 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 estimate that are reasonable and prudent;
- state whether applicable UK-adopted International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website Publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein

The Company is compliant with the AIM Rule 26 regarding the Company's website.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FIINU PLC

Opinion

We have audited the financial statements of Fiinu Plc (the ‘Company’) and its subsidiaries (the ‘Group’) for the year ended 31 December 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Parent Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Parent Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Parent Company Statement of Cash Flows 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 UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group’s and Company’s affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; 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 Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the company 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.

We draw attention to note 1.3 in the financial statements, which indicates that whilst the Directors believe there are sufficient funds available within the Group to fund the Group’s forecast expenditure for a period of at least 12 months from the date of signing of these financial statements, it is anticipated that the Group will need to raise capital beyond this period in order to proceed with its operational strategy and to continue to fund its subsidiaries. As stated in note 1.3, these events and conditions, along with the other matters set forth in note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the Group’s and Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

Our evaluation of the Directors’ assessment of the Group’s and the Parent Company’s ability to continue to adopt the going concern basis of accounting included, but was not limited to:

- Undertaking an initial assessment at the planning stage to identify events or conditions that may cast significant doubt on the Group’s and Company’s ability to continue as a going concern;
- Evaluating the forecast expenditure and cash flows of the Group to ensure that the Group holds sufficient cash to cover the remaining expenditure requirements following the implementation of cost reductions during the year;
- Performing sensitivity analysis on management’s forecasts to ensure that there is sufficient headroom available in the forecast;
- Making enquiries of management and reviewing minutes of board meetings;
- Evaluating the appropriateness of the Directors’ disclosures in the financial statements on going concern, including the material uncertainties, to ensure they complied with the applicable accounting framework.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

An overview of the scope of our audit

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures in response to those risks.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Group and Company and their environments, including the system of internal control and accounting processes to ensure that we performed sufficient work to form an opinion on the financial statements as a whole.

Fiinu Plc, Fiinu Holdings Limited and Fiinu 2 Limited were identified as significant components of the Group and all significant components, including the Company, were subject to full scope audit performed by the Group engagement team.

The Group engagement team also conducted audit tests on the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matter in forming our opinion above, together with an overview of the principal audit procedures performed to address that matter and our key observations from those procedures. The matter set out below is in addition to the ‘Material uncertainty related to going concern’ above, which, by its nature, is also a key audit matter.

These matters, together with our findings, were communicated to those charged with governance through our audit findings report.

Key audit matter	**How we addressed the key audit matter in the audit**
Management override of controls	We obtained an understanding of the use of journals and associated controls and tested a sample of journal entries throughout the year. We considered whether there were any indications of unusual transactions or those outside the normal course of business. We considered estimates made by management and assessed whether there was evidence of management bias, either individually or collectively. ***Our observations*** Our work identified no evidence of inappropriate management override of controls or management bias in making estimates.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that make it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluation the results of our work. Based on our professional judgement we determined materiality for the financial statements as follows:

Group materiality

Materiality	£31,000
Basis of calculation	We have determined materiality with reference to 2% of consolidated gross assets.
Rationale of benchmark applied	We have assessed the use of gross assets as an appropriate benchmark as the Group is not yet fully operational.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £19,375, which represents 62.5% of overall materiality. In determining the performance materiality we considered a number of factors, including that the Group is not yet fully operational and that this is our first year as statutory auditors, and concluded that an amount towards the lower end of our normal range was appropriate.
Significant changes in our approach	There have been no significant changes in our audit approach in the current year.

Company materiality

Materiality	£27,900
Basis of calculation	We have based the materiality on 2% of the Company's gross assets however we have restricted it to 90% of Group materiality.
Rationale of benchmark applied	We restricted the materiality to 90% of Group materiality to ensure that the aggregate of uncorrected and undetected misstatements in the Group financial statements do not exceed Group materiality.
Performance materiality	We set performance materiality at £17,400, which represents 62.5% of overall materiality, for the same reasons as set out above.
Significant changes in our approach	There have been no significant changes in our audit approach in the current year.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or 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; 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.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer term viability and that part of the Corporate Governance Statement relating to the Group's and the Parent Company's voluntary compliance with the provisions of the UK Corporate Governance Code.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainty identified, set out on page 8;
- Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why they period is appropriate on page 8;
- Directors' statement on fair, balanced and understandable, set out on pages 12 to 18;

- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks, set out on pages 6 to 7;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems, set out on page 18; and
- The section describing the work of the audit committee, set out on page 18.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 21 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

Following the withdrawal of the Company's subsidiary's status as an authorised person by the Prudential Regulation Authority there are no laws and regulations considered to be fundamental to the operating aspects of the business.

Those laws and regulations considered to have a direct effect on the financial statements include UK adopted international accounting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

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 may 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: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Other matters we are required to address

Following the recommendation from the audit committee, we were appointed by the Company on 25 September 2023 to audit the financial statements for the year ended 31 December 2023. The period of total uninterrupted engagement is one year, covering the year ended 31 December 2023.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

The audit opinion is consistent with the additional report to the audit committee.

Use of our report

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

Jane Lowden (Senior Statutory Auditor)
for and on behalf of **F. W. Smith, Riches & Co.**
Chartered Accountants & Statutory Auditor
London

22 April 2024

FIINU PLC

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	12 months ended 31 December 2023 £	9 months ended 31 December 2022 £
Administrative expenses		(7,223,494)	(8,218,903)
Operating loss	**3**	(7,223,494)	(8,218,903)
Finance income	**7**	46,176	11,596
Finance costs	**8**	(74,840)	(9,970)
Other gains and losses	**9**	(1,081,530)	-
Loss before taxation		(8,333,688)	(8,217,277)
Income tax income	**11**	16,157	377,879
Loss and total comprehensive loss for the year		(8,317,531)	(7,839,398)

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive loss for the year is all attributable to the owners of the parent company.

Earnings per share	**12**		
Basic		(3.06)	(3.31)
Diluted		(3.06)	(3.31)

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
ASSETS			
Non-current assets			
Intangible assets	**13**	-	878,639
Property, plant and equipment	**14**	-	276,524
		-	1,155,163
Current assets			
Trade and other receivables	**16**	236,720	660,078
Current tax recoverable		-	352,879
Cash and cash equivalents	**17**	1,310,757	7,045,161
		1,547,477	8,058,118
Total assets		1,547,477	9,213,281
EQUITY			
Called up share capital	**20**	27,474,724	26,513,186
Share premium account		9,475,486	9,194,313
Own shares		(5,100)	-
Merger reserve	**21**	(21,120,782)	(21,120,782)
Shares to be issued	**24**	50,000	-
Retained earnings		(15,048,567)	(7,293,795)
Total equity		825,761	7,292,922
Non-controlling interests		-	-
Total equity		825,761	7,292,922
LIABILITIES			
Non-current liabilities			
Lease liabilities	**19**	-	93,425
Current liabilities			
Trade and other payables	**18**	663,940	1,693,603
Lease liabilities	**19**	57,776	133,331
		721,716	1,826,934
Total liabilities		721,716	1,920,359
Total equity and liabilities		1,547,477	9,213,281

The notes on pages 37 to 66 form part of these group financial statements.

GROUP STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2023

The financial statements were approved by the board of directors and authorised for issue on 22 April 2024 and are signed on its behalf by:

D Hopton
Director

Company registration number 04947859 (England and Wales)

FIINU PLC

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 £	2022 £
ASSETS			
Non-current assets			
Property, plant and equipment	**29**	-	224,546
Investments	**30**	1,785,857	46,482,583
		1,785,857	46,707,129
Current assets			
Trade and other receivables	**31**	1,262,144	1,801,269
Cash and cash equivalents		5,246	99,078
		1,267,390	1,900,347
Total assets		3,053,247	48,607,476
EQUITY			
Called up share capital	**35**	27,474,724	26,513,186
Share premium account		28,225,487	27,944,314
Own shares		(5,100)	-
Shares to be issued		50,000	-
Share based payment reserve	**37**	40,218	40,218
Retained earnings		(53,141,837)	(7,093,177)
Total equity		2,643,492	47,404,541
LIABILITIES			
Non-current liabilities			
Lease liabilities	**33**	-	93,425
Current liabilities			
Trade and other payables	**32**	351,979	976,179
Lease liabilities	**33**	57,776	133,331
		409,755	1,109,510
Total liabilities		409,755	1,202,935
Total equity and liabilities		3,053,247	48,607,476

The notes on page 37 - 66 form part of these parent financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company’s loss for the year was £46,611,419 (2022 - £752,487 loss).

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2023

The financial statements were approved by the board of directors and authorised for issue on 22 April 2024 and are signed on its behalf by:

D Hopton
Director

Company registration number 04947859 (England and Wales)

FIINU PLC

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Share capital £	Share premium account £	Own shares £	Merger reserve £	Shares to be issued £	Retained earnings £	Total £
Balance at 1 April 2022		3,758,184	5,189,313	-	(5,090,626)	-	(4,134,550)	(277,679)
Period ended 31 December 2022:								
Loss and total comprehensive loss		-	-	-	-	-	(7,839,398)	(7,839,398)
Transactions with owners:								
Issue of share capital		4,005,000	4,005,000	-	-	-	-	8,010,000
Share-based payment credit		-	-	-	-	-	4,680,153	4,680,153
Effect of reverse take-over		18,750,002	-	-	(16,030,156)	-	-	2,719,846
Balance at 31 December 2022		26,513,186	9,194,313	-	(21,120,782)	-	(7,293,795)	7,292,922
Year ended 31 December 2023:								
Loss and total comprehensive loss		-	-	-	-	-	(8,317,531)	(8,317,531)
Transactions with owners:								
Issue of share capital		961,538	288,462	-	-	-	-	1,250,000
Shares to be issued		-	-	-	-	50,000	-	50,000
Shares held by employment benefit trust		-	-	(72,209)	-	-	-	(72,209)
Share based payment		-	(7,289)	-	-	-	562,759	555,470
Fair value movement		-	-	67,109	-	-	-	67,109
Balance at 31 December 2023		27,474,724	9,475,486	(5,100)	(21,120,782)	50,000	(15,048,567)	825,761

FIINU PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Share capital	Share premium account	Revaluation reserve	Share based payment reserve	Own shares	Shares to be issued	Retained earnings	Total
		£	£	£	£	£	£	£	£
Balance at 1 April 2022		3,758,184	5,189,313	836,265	40,218	-	-	(7,176,955)	2,647,025
Period ended 31 December 2022:									
Loss and total comprehensive loss		-	-	-	-	-	-	(752,487)	(752,487)
Transactions with owners:									
Issue of share capital	**35**	22,755,002	22,755,001	-	-	-	-	-	45,510,003
Transfer to revaluation reserve		-	-	(836,265)	-	-	-	836,265	-
Balance at 31 December 2022		26,513,186	27,944,314	-	40,218	-	-	(7,093,177)	47,404,541
Year ended 31 December 2023:									
Loss and total comprehensive loss		-	-	-	-	-	-	(46,611,419)	(46,611,419)
Transactions with owners:									
Issue of share capital	**35**	961,538	288,462	-	-	-	-	-	1,250,000
Shares to be issued		-	-	-	-	-	50,000	-	50,000
Own shares acquired transferred to reserves		-	-	-	-	(72,209)	-	-	(72,209)
Share based payment	**35**	-	(7,289)	-	-	-	-	562,759	555,470
Fair value movement		-	-	-	-	67,109	-	-	67,109
Balance at 31 December 2023		27,474,724	28,225,487	-	40,218	(5,100)	50,000	(53,141,837)	2,643,492

FIINU PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	£	12 months ended 31 December 2023 £	£	9 months ended 31 December 2022 £
Cash flows from operating activities					
Cash absorbed by operations	**23**		(6,647,178)		(4,497,027)
Income taxes refunded			369,036		120,150
Net cash used in operating activities			(6,278,142)		(4,376,877)
Investing activities					
Purchase of intangible assets		-		(849,076)	
Purchase of property, plant and equipment		(8,618)		(50,457)	
Interest received		46,176		11,596	
Net cash generated from/(used in) investing activities			37,558		(887,937)
Financing activities					
Proceeds from issue of shares		500,000		8,010,000	
Net cash acquired on reverse takeover		-		3,577,275	
Proceeds from borrowings		1,000,000		500,000	
Repayment of borrowings		(750,000)		-	
Payment of lease liabilities		(167,929)		(47,533)	
Interest paid		(75,891)		(5,137)	
Net cash generated from financing activities			506,180		12,034,605
Net (decrease)/increase in cash and cash equivalents			(5,734,404)		6,769,791
Cash and cash equivalents at beginning of year			7,045,161		275,370
Cash and cash equivalents at end of year			1,310,757		7,045,161

FIINU PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes		12 months ended 31 December 2023		9 moths ended 31 December 2022
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	36		649,729		(3,365,399)
Net cash inflow/(outflow) from operating activities			649,729		(3,365,399)
Investing activities					
Proceeds from disposal of subsidiaries		-		1,882,500	
Purchase of additional capital in subsidiaries		(1,250,000)		(8,982,580)	
Repayment of loans		-		1,050,000	
Proceeds from disposal of investments		-		951,460	
Interest received		9		69,111	
Net cash used in investing activities			(1,249,991)		(5,029,509)
Financing activities					
Proceeds from issue of shares		500,000		8,010,000	
Proceeds from borrowings		1,000,000		500,000	
Repayment of borrowings		(750,000)		-	
Payment of lease liabilities		(167,929)		(42,699)	
Interest paid		(75,641)		-	
Net cash generated from financing activities			506,430		8,467,301
Net (decrease)/increase in cash and cash equivalents			(93,832)		72,393
Cash and cash equivalents at beginning of year			99,078		26,685
Cash and cash equivalents at end of year			5,246		99,078

1 Material accounting policy information

Company information

Fiinu Plc is a public company limited by shares incorporated in England and Wales. The registered office is Ibex House, Baker Street, Weybridge, Surrey, KT13 8AH. The group's principal activity is a fintech group, including Fiinu 2 Limited and is the developer of the Plugin Overdraft® which is an unbundled overdraft solution that will allow customers to have an overdraft with Fiinu 2 without changing their existing bank. The underlying Bank Independent Overdraft ® technology platform is bank agnostic, allowing Fiinu 2 to serve all other banks' customers, subject to raising the required investment and being successful in the re-application for a UK banking licence. Open Banking allows Fiinu's Plugin Overdraft® to attach ("plugin") to the customer's primary bank account, no matter which bank they may use. Fiinu's vision is built around Open Banking, and it believes that it increases competition and innovation in UK banking.

This Group consists of Fiinu Plc and all of its subsidiaries.

The comparative information is for the 9 month period ended 31 December 2022 due to the reverse takeover transaction noted in 1.1 below.

1.1 Accounting convention

The Group’s consolidated and the Company’s financial statements are prepared in accordance with UK-adopted international accounting standards and the Companies Act 2006 requirements, except as otherwise stated. On publishing the parent company financial statements here together with the consolidated financial statements, the company is taking advantage of the exemption in s408 of the Companies Act 2006 not to present its individual statement of profit and loss. Profit and loss and other comprehensive income and related notes that form a part of these approved financial statements.

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

Reverse takeover transactions

On 15 June 2022 The Directors of Immediate Acquisition Plc (subsequently renamed Fiinu Plc) announced that it had entered into a Sale and Purchase Agreement to acquire Fiinu Holdings Ltd which, on account of the relative sizes of the two entities, constituted a reverse takeover under the London Stock Exchange AIM Rules. As a prelude to the acquisition, which completed on 7 July 2023, Immediate Acquisition Plc raised £8.01million in new equity capital. The shares in the enlarged company were then readmitted to trading on the AIM market on 8 July 2022 under its new name of Fiinu plc.

Where there has been a reverse takeover, the coming together of the entities does not constitute a business combination and as such the transaction is accounted for as, in substance, a capital reorganisation. The accounting acquirer is different from the legal acquirer. As such, from an accounting perspective, the previous comparatives and any results prior to the reverse takeover have not been presented and the assets and liabilities of the accounting acquirer are recorded in the consolidated financial statements at their pre-combination amounts. The share capital in the consolidated financial statements however, reflects that of the legal acquirer.

Fiinu Holdings Ltd has been identified as the accounting acquirer and Fiinu plc, the legal acquirer. The share capital in the consolidated accounts reflects that of the legal acquirer, being Fiinu plc. The comparatives, and any results prior to 8 July 2022 of Fiinu plc have not been presented and the assets and liabilities of the Fiinu Holdings Limited group have been recorded in the consolidated financial statements at their pre-combination amounts.

1 Material accounting policy information (Continued)

1.2 Basis of consolidation

All financial statements are made up to 31 December 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Acquisitions are accounted for using the acquisition method. the cost of an acquisition is measured at fair value at the date of exchange of the consideration. Identifiable assets and liabilities of the acquired business are recognised at their fair value at the date of acquisition. To the extent that the cost of an acquisition exceeds the fair value of the net assets acquired the difference is recorded as goodwill. Where the fair value of the net assets acquired exceeds the cost of an acquisition the difference is recorded in profit and loss.

1.3 Going concern

The financial statements have been prepared on a going concern basis. In assessing going concern, the Directors have considered the current statement of financial position, the financial projections, longer-term strategy of the business and the capital and liquidity plans, including stress tests and plans for future capital injections.

During the year, the group reported that it was facing challenges in raising the full amount of funding required for Fiinu Bank Limited to launch without regulatory restrictions and commence its banking operations in the UK. Accordingly, Fiinu Bank Limited applied to withdraw its banking licence with the aim of re-applying once the Board would be able to attest to the regulators that the funding is secured.

Following the withdrawal of the banking licence application, Fiinu Bank changed its name to Fiinu 2 Limited and the group initiated controlled cost reductions in order to provide additional time to determine the best way forward for shareholders.

As at 31 December 2023 the group had available cash resources of £1.3 million. The Directors have prepared forecasts for a period of at least 12 months from the date of signing of these financial statements. Based on the current projection, the Directors believe that there are sufficient funds for the forecast expenditure for at least the next 12 months. However, it is anticipated that the group will need to raise capital beyond this period in order to proceed with its operational strategy. This represents a material uncertainty that may cast significant doubt on the group's and company's ability to continue as a going concern. However, the Directors have a reasonable expectation that this uncertainty can be managed to a successful outcome, and based on that assessment, the group and company will have adequate resources to continue in operational existence for the foreseeable future.

The financial statements do not reflect any adjustments that would be required to be made if they were to be prepared on a basis other than the going concern basis.

1 Material accounting policy information **(Continued)**

1.4 Intangible assets other than goodwill

Expenditure on research is recognised as an expense in the period in which it is incurred.

Cost that are directly attributable to the development phase of new customised technologies are recognised as intangible assets provided they meet the following recognition criteria:

- completion of the intangible asset is technically feasible so that it will be available for use or sale;
- the group intends to complete the intangible asset and use or sell it;
- the group has the ability to use or sell the tangible asset;
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting the criteria for capitalisation are recognised as expenses as incurred.

Amortisation is recognised as an administrative expense in profit or loss on a straight line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for intangible assets are as follows:

Research and development	not yet in use

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation is recognised on the following bases:

Leasehold property	Over the period of the lease
Office and IT equipment	3-10 years
Plant and equipment	3-7 years
Computers and network equipment	3-5 years or contract term if shorter

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 recognised in the profit or loss.

1.6 Non-current 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.

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

1 Material accounting policy information **(Continued)**

1.7 Borrowing costs

Finance costs comprise interest expense on borrowings including leases which are recognised in profit or loss in the period in which they are incurred.

1.8 Impairment of tangible and intangible assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

When any of the above-mentioned conditions for classification of financial assets are not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognised initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets are not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognised initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

1 Material accounting policy information **(Continued)**

Impairment of financial assets

Financial assets carried at amortised cost are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

For trade receivables, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.11 Financial liabilities

The group recognises financial debt when the group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group’s obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

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

Share capital represents the nominal value of shares that have been issued.

Share premium includes any premium received on issue of share capital.

Retained losses include retained profits and losses relating to current and prior years and purchases and sales of own shares by the Employee Benefit Trust.

All transactions with owners of the parent are recorded separately within equity.

1.13 Taxation

The tax expense represents the sum of the current tax and deferred tax.

1 Material accounting policy information (Continued)

Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 group'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 is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 income statement, 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 group 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.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

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.

1.15 Retirement benefits

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

1.16 Leases

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property and are recognised for all leases except those which are considered to have a fair value below £4,500 and those with a duration of 12 months or less.

1 Material accounting policy information **(Continued)**

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the group is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.18 Earnings per share

The group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

1 Material accounting policy information **(Continued)**

1.19 New and amended standards

New and amended standards adopted by the group

The Group has applied the following amendments for the first time for the annual reporting period commencing 1 January 2023:

- *Insurance Contracts – Amendments to IFRS 17*
- *Presentation of Financial Statements – Amendments to IAS 1*
- *Making Materiality Judgements – Disclosure of Accounting Policies – Amendments to IFRS Practice statement 2*
- *Income Tax – Amendments to IAS 12*
- *Accounting Policies, Changes in Accounting Estimates and Errors – Amendments to IAS 8.*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

At the date of authorisation of these financial statements, the group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28*
- *Classification of Liabilities as Current or Non-current - Amendments to IAS 1*
- *Non-current Liabilities with Covenants - Amendments to IAS 1*
- *Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7*
- *Lease Liability in a Sale and Leaseback - Amendments to IFRS 16*

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.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount 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.

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 periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Impairment

The directors determine whether there are indicators of impairment of the group's assets. Factors taken into consideration when reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.

Note 10 sets out details of the impairments that have arisen in the year and the judgements involved in the assessment.

2 Critical accounting estimates and judgements (Continued)

Deferred tax

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the group's future taxable income against which the group loses and deductible temporary differences can be utilised.

The directors have considered the probability that there will be future taxable income to utilise tax losses to be low, since there is uncertainty over the group's ability to raise the funding required to begin the re-application for the UK banking license.

Going concern

Going concern has been assessed and reflected in note 1.3.

Share based payments

In determining the value of share based payments, the directors have used the black-scholes model. The input used for volatility was based on a comparable company since there is not enough historic information in respect of the company's own share price. Had a different comparable company been selected the value of the share based payments used in these accounts could be materially different.

Note 28 sets out further details including sensitivity analysis.

3 Operating loss

Operating loss for the period is stated after charging/(crediting):	2023 £	2022 £
Exchange (gains)/losses	(6,813)	3,964
Depreciation of property, plant and equipment	149,360	48,799
Share-based payments	605,470	4,680,153

4 Auditor's remuneration

Fees payable to the company's auditor and associates:	2023 £	2022 £
For audit services		
Audit of the financial statements of the company and consolidation	27,500	74,000
Audit of the financial statements of the company's subsidiaries	17,500	120,000
	45,000	194,000

The fees disclosed as payable to auditors for the year to 31 December 2023 relate to F.W. Smith, Riches & Co (December 2022: Mazars LLP).

5 Employees

The average monthly number of persons (including Directors) employed by the group during the year was:

	2023 Number	2022 Number
Front office/administration	16	10
Finance/IT	1	3
Management	9	-
Total	26	13

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	2,461,812	1,149,961
Social security costs	309,330	155,808
Pension costs	49,320	18,772
	2,820,462	1,324,541

6 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	761,229	644,004

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	485,385	431,647

Remuneration for each individual Director, which is required to be disclosed under AIM rules, is shown in the Directors' Report.

For the prior period the disclosure is in line with the Companies Act 2006 which reflects the payments to the statutory directors of Fiinu Plc and not the accounting position of Fiinu Holdings Ltd as accounting acquirer which is shown in the Directors' Remuneration report.

7 Finance income

	2023	2022
	£	£
Interest income		
Financial instruments measured at amortised cost:		
Bank deposits	46,176	11,596

8 Finance costs

	2023	2022
	£	£
Interest on lease liabilities	9,265	4,833
Other interest payable	65,575	5,137
Total interest expense	74,840	9,970

9 Other gains and losses

	2023	2022
	£	£
Loss on impairment of non current assets see note 10	(1,014,421)	-
Net changes in fair value of own shares held	(67,109)	-
	(1,081,530)	-

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2023	2022
	£	£
In respect of:		
Intangible assets	878,639	-
Property, plant and equipment	135,782	-
	1,014,421	-
Recognised in:		
Other gains and losses	1,014,421	-

Intangible assets and property, plant and equipment have been fully impaired during the year. The intangible assets comprise development costs incurred in designing a business software model, with the intention that this would be utilised by the group. However, the group is currently trying to raise additional capital to support the re-application for a UK banking licence without which the directors are of the opinion that both the intangible assets and the property, plant and equipment have a value-in-use of £nil.

11 Income tax income

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	-	(352,879)
Adjustments in respect of prior periods	(16,157)	(25,000)
Total UK current tax	(16,157)	(377,879)

The credit for the year can be reconciled to the loss per the income statement as follows:

	2023 £	2022 £
Loss before taxation	(8,333,688)	(8,217,277)
Expected tax credit based on a corporation tax rate of 23.50% (2022: 19.00%)	(1,958,417)	(1,561,283)
Effect of expenses not deductible in determining taxable profit	21,131	809,143
Unutilised tax losses carried forward	1,588,207	399,261
Adjustment in respect of prior years	-	(25,000)
Research & development credit - prior year	(16,157)	-
Share based payments	130,536	-
Depreciation in excess of capital allowances	12,063	-
Impairment of intangible assets	206,480	-
Taxation credit for the period	(16,157)	(377,879)

The group has unused trading losses of £14,225,971 (December 2022: £6,732,996) carried forward at the year end. No deferred tax asset has been recognised at the year end as there is no certainty that there will be sufficient profits in the foreseeable future. This creates a potential deferred tax asset of £3,556,493. (December 2022: £1,683,249).

An increase in the UK corporation tax rate from 19% to 25% came into effect beginning 1 April 2023.

12 Earnings per share

	2023 Number	2022 Number
Number of shares		
Weighted average number of ordinary shares in issue	272,128,700	237,184,397
Less weighted average number of own shares	(192,323)	-
Weighted average number of ordinary shares for basic earnings per share	271,936,377	237,184,397
Weighted average number of ordinary shares for diluted earnings per share	271,936,377	237,184,397

	2023 £	2022 £
Earnings		
Continuing operations		
Loss for the period from continued operations	(8,317,531)	(7,839,398)

	2023 Pence per share	2022 Pence per share
Basic and diluted earnings per share		
From continuing operations	(3.06)	(3.31)

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of shares outstanding during the year.

For diluted earnings per share, the weighted average number of shares in issue is adjusted to assume conversion of all potentially dilutive warrants and options over ordinary shares. Potential ordinary shares resulting from the exercise of warrants and options have an anti-dilutive effect due to the group being in a loss position. As a result, dilutive loss per share is disclosed as the same value as basic loss per share.

13 Intangible assets

	Development costs £
Cost	
At 1 April 2022	29,563
Additions	849,076
At 31 December 2022	878,639
At 31 December 2023	878,639

13 Intangible assets (Continued)

	Development costs
	£
Amortisation and impairment	
Impairment loss	878,639
At 31 December 2023	878,639
Carrying amount	
At 31 December 2023	-
At 31 December 2022	878,639

Intangible assets as at 31 December 2023 are made up of development costs incurred in designing a banking software model. See note 10 for details of impairment.

14 Property, plant and equipment

	Leasehold property	Plant and equipment	Office and IT equipment	Computers and network equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2022	-	1,236	15,463	9,937	26,636
Additions	269,455	-	-	50,457	319,912
Disposals	-	(1)	-	-	(1)
At 31 December 2022	269,455	1,235	15,463	60,394	346,547
Additions	-	-	-	8,618	8,618
At 31 December 2023	269,455	1,235	15,463	69,012	355,165
Accumulated depreciation and impairment					
At 1 April 2022	-	1,234	15,463	4,527	21,224
Charge for the period	44,909	1	-	3,889	48,799
At 31 December 2022	44,909	1,235	15,463	8,416	70,023
Charge for the year	134,726	-	-	14,634	149,360
Impairment loss (profit or loss)	89,820	-	-	45,962	135,782
At 31 December 2023	269,455	1,235	15,463	69,012	355,165

14 Property, plant and equipment **(Continued)**

	Leasehold property	Plant and equipment	Office and IT equipment	Computers and network equipment	Total
	£	£	£	£	£
Carrying amount analysed between owned assets and right-of-use assets					
At 31 December 2023					
Owned assets	-	-	-	-	-
Right-of-use assets	-	-	-	-	-
	-	-	-	-	-
At 31 December 2022					
Owned assets	-	-	-	51,978	51,978
Right-of-use assets	224,546	-	-	-	224,546
	224,546	-	-	51,978	276,524

The Group leases assets including land and buildings. Information for Property, plant and equipment which includes right-of-use assets, is as follows:

	Land and buildings
	£
Net carrying value at 1 April 2022	-
Additions	269,455
Depreciation charge	(44,909)
Net carrying value at 31 December 2022	224,546
Depreciation charge	(134,726)
Impairment loss	(89,820)
Net carrying value at 31 December 2023	-

More information on impairment movements in the year is given in note 10.

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct	Indirect
Fiinu 2 Ltd	Same as parent	Ordinary	-	100.00
Fiinu Services Ltd	Same as parent	Ordinary	-	100.00
Fiinu Holdings Ltd	Same as parent	Ordinary	100.00	-

All companies in the Fiinu plc group are registered in England and Wales and have their registered offices at Ibex House, Baker Street, Weybridge, Surrey, KT13 8AH

16 Trade and other receivables

	2023 £	2022 £
VAT recoverable	1,748	257,579
Other receivables	192,837	200,979
Prepayments	42,135	201,520
	236,720	660,078

At 31 December 2023 and 31 December 2022 there are no trade receivables.

17 Cash and cash equivalents

Group cash and cash equivalents as at 31 December 2023 of £1,310,757 (December 2022: £7,045,161) consist of bank balances.

Company cash and cash equivalents as at 31 December 2023 of £5,246 (December 2022: £99,078) consist of bank balances.

18 Trade and other payables

	2023 £	2022 £
Trade payables	38,413	409,896
Accruals	208,403	680,960
Social security and other taxation	403,264	95,246
Other payables	13,860	507,501
	663,940	1,693,603

Included in other payables at 31 December 2022 is £500,000 due under a loan agreement. During the year, an additional £1,000,000 was drawn down and the entire balance was settled, £750,000 in cash and the remainder in shares.

19 Lease liabilities

Maturity analysis	2023 £	2022 £
Within one year	61,381	142,596
In two to five years	-	95,064
Total undiscounted liabilities	61,381	237,660
Future finance charges and other adjustments	(3,605)	(10,904)
Lease liabilities in the financial statements	57,776	226,756

19 Lease liabilities (Continued)

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023 £	2022 £
Current liabilities	57,776	133,331
Non-current liabilities	-	93,425
	57,776	226,756

Amounts recognised in profit or loss include the following:	2023 £	2022 £
Interest on lease liabilities	9,265	4,833

The group has a lease contract for property which has a lease term of 5 years with a break clause at 2 years.

Contracts may contain both lease and non-lease components. The group allocates consideration between lease and non-lease components based on the price of a lessor, or similar supplier, would charge to purchase that component separately.

The lease term begins at the commencement date and includes any rent-free periods provided by the lessor. Lease terms vary between contracts and depend on the individual facts and circumstances of the contract,

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the group's incremental borrowing rate. The group's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted average rate applied was 6% (December 2022: 6%).

20 Share capital

Ordinary share capital	2023 Number	2022 Number	2023 £	2022 £
Authorised				
Ordinary shares of 10p each	274,747,246	265,131,861	27,474,724	26,513,186
Issued and fully paid				
Ordinary shares of 10p each	274,747,246	265,131,861	27,474,724	26,513,186

There are no restrictions on the transfer of shares in Fiinu plc. All shares carry equal voting rights.

20 Share capital (Continued)

Reconciliation of movements during the year:

	Number
At 1 April 2022	37,581,844
Issue of fully paid shares	40,050,000
Issue of shares for share based payments	187,500,017
At 31 December 2022	265,131,861
At 1 January 2023	265,131,861
Issue of fully paid shares	9,615,385
At 31 December 2023	274,747,246

21 Other reserves

Merger reserve
As the accounting acquirer in the reverse takeover on 8 July 2022, the Net Assets of Fiinu Holdings Limited form the accounts up to the date of the reverse takeover. As the legal acquirer, the share capital of Fiinu plc is included in the balance sheet. The Merger reserve is created from the accounting entries to reflect the reverse take-over

22 Retirement benefit schemes

Defined contribution schemes	2023 £	2022 £
Charge to profit or loss in respect of defined contribution schemes	49,320	18,772

The group operates a defined contribution auto-enrolment workplace pension scheme (the Fiinu 2 Limited pension scheme) administered by NEST for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23 Cash absorbed by operations

Group	31 December 2023 £	31 December 2022 £
Loss for the year after tax	(8,317,531)	(7,839,398)
Adjustments for:		
Taxation credited	(16,157)	(377,879)
Finance costs	74,840	9,970
Finance income	(46,176)	(11,596)
Amortisation and impairment of intangible assets	878,639	-
Depreciation and impairment of property, plant and equipment	285,142	48,799
Fair value movement	67,109	-
Share based payment	605,470	4,680,153
Movements in working capital:		
Decrease/(increase) in trade and other receivables	351,149	(149,315)
Decrease in trade and other payables	(529,663)	(857,761)
Cash absorbed by operations	(6,647,178)	(4,497,027)

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

	2023 £	2022 £
Cash and cash equivalents	1,310,757	7,045,161

24 Shares to be issued

	2023 £	2022 £
At the beginning of the year	-	-
Additions	50,000	-
At the end of the year	50,000	-

25 Financial Instruments

Treasury

The group's financial instruments through which it meets its day to day working capital requirements comprise cash and liquid resources, as well as receivables and payables. The principal risk on the financial assets is credit risk, which the Board has reviewed and manages through its policies summarised below. The group has remained unchanged since the beginning of the year.

Borrowing facilities

There were no borrowing facilities available at 31 December 2023 or 31 December 2022.

The group uses sources of finance for property, which under IFRS 16 have been shown as right of use assets with a corresponding lease liability, as per notes 14 and 19. As at 31 December 2023 the group owed £57,776 (2022 - £226,756) on lease liabilities.

Interest rate risk

Interest rate risk is the risk that the value of future cash flows associated with financial instruments will fluctuate due to changes in interest rates. Interest rate risk arises from interest bearing financial assets and liabilities held by the group. Interest bearing assets and liabilities comprise cash. The Directors do not believe that impact of any interest rate changes would be material to profit or loss, or equity.

Liquidity risk

Short-term flexibility is normally achieved through the use of cash balances, primarily held on short-term deposit. Financial liabilities as shown in note 18 are payable within one year. The Directors consider that the group's exposure to liquidity risk is minimal.

Foreign currency risk

The group has no material financial exposure to foreign exchange gains or losses.

Credit risk

The Finance Director is responsible for managing the group's credit exposure. The group's cash is held with an A-rated high street bank and the group does not have any trade receivables.

The group's maximum exposure to credit risk is as follows:

Group	**31 December 2023**	**31 December 2022**
	£	**£**
Cash and cash equivalents (note 17)	1,310,757	7,045,161
Total financial assets	**1,310,757**	**7,045,161**

25 Financial Instruments **(Continued)**

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position are grouped into three levels of a fair hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices in active markets for identical assets and liabilities

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

All financial assets held at fair value are measured at level 1 within the hierarchy in December 2023 and December 2022. There were no transfers between Level 1 and Level 2 in December 2023 or December 2022.

Table 1: Categories of financial assets and liabilities: financial assets

Group	**Financial assets at fair value through other comprehensive income**	**Financial assets at fair value through the profit and loss**	**Financial assets at amortised cost**	**Total**
31 December	**2023**	**2023**	**2023**	**2023**
	£	**£**	**£**	**£**
Cash and cash equivalents (note 17)	-	-	1,310,757	1,310,757
Total financial assets	**-**	**-**	**1,310,757**	**1,310,757**
31 December	**2022**	**2022**	**2022**	**2022**
	£	**£**	**£**	**£**
Financial assets	-	-	-	-
Cash and cash equivalents (note 17)	-	-	7,045,161	7,045,161
Total financial assets	**-**	**-**	**7,045,161**	**7,045,161**

Table 2: Categories of financial assets and liabilities: financial liabilities at amortised cost

Group	**Other trade payables and accrued expenses**	**Total**
31 December	**2023**	**2023**
	£	**£**
Lease liabilities (note 19)	57,776	57,776
Trade payables (note 18)	38,413	38,413
Non-trade payables and accrued expenses (note 18)	222,263	222,263
Total financial liabilities	**318,452**	**318,452**

25 Financial Instruments **(Continued)**

31 December	**2022**	**2022**
	£	**£**
Lease liabilities (note 19)	226,756	226,756
Trade payables (note 18)	409,896	409,896
Non-trade payables and accrued expenses (note 18)	1,283,710	1,283,710
Total financial liabilities	**1,920,362**	**1,920,362**

Table 3: Analysis of trade and other payables by due date

	Due date as at 31 December 2023			
	<30 days	**30-183 days**	**183-366 days**	**Total**
	£	**£**	**£**	**£**
Trade payables	38,413	-	-	**38,413**
Non-trade payables and accrued expenses	13,380	208,883	-	**222,263**

	Due date as at 31 December 2022			
	<30 days	**30-183 days**	**183-366 days**	**Total**
	£	**£**	**£**	**£**
Trade payables	121,138	202,037	86,721	**409,896**
Non-trade payables and accrued expenses	102,747	680,963	500,000	**1,283,710**

26 Capital risk management

Capital risk is the risk that the group has insufficient capital to cover regulatory requirements and/or support its growth plans.

The Group regularly reviews and manages its capital in order to maintain an optimal structure, taking account of its future capital requirements, projected profitability, operating cash flows, capital expenditure and projected strategic investment opportunities. The management regards capital as total equity and reserves.

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, including Directors, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	31 December 2023	**31 December 2022**
	£	**£**
Short-term employee benefits	870,053	728,162

Other information

A loan due to a Director of £nil (December 2022: £152) remains outstanding at the year end.

28 Share-based payments

Company

The movements in the number of share options issued to employees of Fiinu Plc prior to the reverse takeover and outstanding at the reporting date. Their weighted average prices are as follows:

	Number of share options and warrants		Average exercise price	
	31 December 2023	31 December 2022	31 December 2023 £	31 December 2022 £
Outstanding at start of period'	1,291,000	1,291,000	18.84	18.84
Granted in the period	17,303,644	-	20.00	-
Outstanding at end of period'	18,594,644	1,291,000	20.00	18.84
Exercisable at end of period'	18,594,644	1,291,000	20.00	18.84

Options outstanding

Share options outstanding (including options and warrants awarded to directors) at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	31 December 2023 Number	31 December 2022 Number
Scheme (i) 18 October 2013	20 March 2024	10	339,000	339,000
Scheme (ii) 18 October 2013	20 March 2025	10	182,000	182,000
Scheme (iii) 21 October 2020	21 October 2030	24.5	300,000	300,000
Scheme (iv) 19 Feb 2021	19 February 2031	36	140,000	140,000
Scheme (v) 22 Feb 2021	22 February 2024	25	330,000	330,000
Scheme (vi) 14 March 2023	14 March 2026	20	17,000,000	-
Scheme (vii) 14 March 2023	14 March 2026	20	303,644	-
			18,594,644	1,291,000

Share options and warrants were granted to employees, directors and shareholders under the following terms and conditions:

i. Share Options under the Immedia EMI Share Option Scheme. These options vested on 20 March 2014 with the publication of the Group's audited financial statements for the financial year ending 31 December 2013 and may be exercised over a ten-year period commencing on that date.

ii. Share Options under the Immedia EMI Share Option Scheme. These options vested on 20 March 2015 with the publication of the Group's audited financial statements for the financial year ending 31 December 2014 and may be exercised over a ten-year period commencing on that date.

iii. Options over a total of 330,000 shares were granted to non-board employees on 21 October 2020. The options vested immediately with an exercise price of 24.5p (being the market price at the time of grant. The options may be exercised at any time and may be exercised over a ten-year period commencing on that date.

28 Share-based payments (Continued)

iv. Options over a total of 140,000 shares were granted to the Executive Directors on 19 February 2021. The options have an exercise price of £0.3599 pence per share (being the 30-day moving average share price immediately prior to the award). The options vest immediately and may be exercised over a ten-year period commencing on that date.

v. Warrants over a total of 500,000 shares were granted to the Non-Executive Directors on 22 February 2021. The Warrants have an exercise price of 25 pence per share, being set equal to the issue price for new ordinary shares issued in the recent placing and subscription (announced on 8 January 2021). The Warrants vest immediately and are exercisable in whole or in part at any time in the next three years. The fair value of options granted in prior years was estimated at the date of grant using a Black-Scholes option pricing model (which is believed to be appropriate given the immaterial amounts involved.

vi. The Company issued 17,000,000 new warrants on 14 March 2023 to GEM Global Yield LLC and GEM Yield Bahamas Limited in consideration for entering a three year subscription facility with a total maximum drawdown of up to £40m. The New Warrants are exercisable at a price of 20 pence each. The Warrants vest immediately and are exercisable in whole or in part at any time in the next three years.

vii. Warrants over a total of 303,644 shares were granted to the company that one of the Directors has a beneficial interest in on 14 March 2023 as a result of a loan provided by the company having been converted into shares and warrants being issued in the ratio of 1 for every 19 ordinary shares issued. The Warrants have an exercise price of 20 pence per share, being set equal to the issue price for new ordinary shares issued in recent placings. The Warrants vest immediately and are exercisable in whole or in part at any time in the next three years.

During the year the group agreed to issue shares to a supplier to settle an outstanding liability of £50,000. This is included in shares to be issued at the year end.

The group and company has recognised a total expense of £605,470 related to equity-settled share based payment transactions in the current year (December 2022: £nil). In addition, £7,289 (2022: nil) has been recorded against share premium.

The fair value of the share options granted in 2023 was determined using the black scholes model as follows:

Expected Life of in years	3
Volatility	45.3%
Risk free interest rate	1.65%

The underlying expected volatility was determined by reference to historical data of comparable businesses' shares over a period, relevant to the term of the share option grants. The directors have estimated that a voltaility value of 45.3% is reasonable. If the volatility were 5 percentage points higher or lower then the impact on the option price would have been a revised share based payment expense of £468,892 if lower or £641,600 if higher. Furthermore if the volatility were 10 percentage points higher or lower then the share based payment expense would be £382,462 or £726,850 respectively.

29 Company - Property, plant and equipment

	Leasehold land and buildings
	£
Cost	
At 1 January 2022	-
Additions	269,455
At 31 December 2022	269,455
At 31 December 2023	269,455
Accumulated depreciation and impairment	
At 1 January 2022	-
Charge for the year	44,909
At 31 December 2022	44,909
Charge for the year	134,726
Impairment loss (profit or loss)	89,820
At 31 December 2023	269,455
Carrying amount analysed between owned assets and right-of-use assets	
At 31 December 2023	
Owned assets	-
Right-of-use assets	-
	-
At 31 December 2022	
Owned assets	-
Right-of-use assets	224,546
	224,546

The Group leases assets including land and buildings. Information for Property, plant and equipment which includes right-of-use assets, is as follows:

	Land and buildings
	£
Net carrying value at 1 April 2022	-
Depreciation charge	(44,909)
Additions	269,455
Net carrying value at 31 December 2022	224,546
Depreciation charge	(134,726)
Impairment loss	(89,820)
Net carrying value at 31 December 2023	-

29 Company - Property, plant and equipment **(Continued)**

Property, plant and equipment has been fully impaired during the year. The Company is currently trying to raise additional capital to support its subsidiary's re-application for a UK banking license without which the directors are of the opinion that the property, plant and equipment has a value-in-use of £nil.

30 Company - Investments

	Current		Non-current	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Investments in subsidiaries	-	-	1,785,857	46,482,583

Fair value of financial assets carried at amortised cost
Except as detailed below the Directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

Investment in subsidiary undertakings
Details of the company's principal operating subsidiaries are included in note 15.

Movements in non-current investments

	Shares in subsidiaries £
Cost	
At 1 January 2023	46,482,583
Additions	1,250,000
At 31 December 2023	47,732,583
Impairment	
At 1 January 2023	-
Impairment losses	(45,946,726)
At 31 December 2023	(45,946,726)
Carrying amount	
At 31 December 2023	1,785,857
At 31 December 2022	46,482,583

The Company is currently trying to raise additional capital to support its subsidiary's re-application for a UK banking licence. The directors have estimated the fair value of the investment in its subsidiaries by reference to the market capitalisation of the Company as at 31 December 2023, and as such an impairment charge has been recognised.

30 Company - Investments (Continued)

Prior financial period	Shares in subsidiaries £	Other investments £	Total £
Cost			
At 1 January 2022	801,918	1,175,349	1,977,267
Additions	46,482,583	-	46,482,583
Disposals	(801,918)	(1,175,349)	(1,977,267)
At 31 December 2022	46,482,583	-	46,482,583
Carrying amount			
At 31 December 2022	46,482,583	-	46,482,583

31 Company - Trade and other receivables

	2023 £	2022 £
Amounts owed by subsidiary undertakings	1,225,875	1,547,638
Other receivables	4,795	229,723
Prepayments	31,474	23,908
	1,262,144	1,801,269

32 Company - Trade and other payables

	2023 £	2022 £
Trade payables	7,689	163,134
Amounts owed to subsidiary undertakings	12,834	-
Accruals	116,234	301,775
Social security and other taxation	215,222	11,270
Other payables	-	500,000
	351,979	976,179

Included in other payables at 31 December 2022 is £500,000 due under a loan agreement. During the year, an additional £1,000,000 was drawn down and the entire balance was settled, £750,000 in cash and the remainder in shares.

33 Company - Lease liabilities

Maturity analysis	2023 £	2022 £
Within one year	61,381	142,596
In two to five years	-	95,064
Total undiscounted liabilities	61,381	237,660
Future finance charges and other adjustments	(3,605)	(10,904)
Lease liabilities in the financial statements	57,776	226,756

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023 £	2022 £
Current liabilities	57,776	133,331
Non-current liabilities	-	93,425
	57,776	226,756

The group has a lease contract for property (December 2022: none) which has a lease term of 5 years with a break clause at 2 years.

Contracts may contain both lease and non-lease components. The group allocates consideration between lease and non-lease components based on the price of a lessor, or similar supplier, would charge to purchase that component separately.

The lease term begins at the commencement date and includes any rent-free periods provided by the lessor. Lease terms vary between contracts and depend on the individual facts and circumstances of the contract,

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the group's incremental borrowing rate as at 1 January 2022. The group's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted average rate applied was 6% (December 2022: 6%).

The fair value of the company's lease obligations is approximately equal to their carrying amount.

34 Related party transactions - company

Remuneration of key management personnel

The remuneration of key management personnel, including Directors, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	31 December 2023 £	31 December 2022 £
Short-term employee benefits	122,093	95,833

Other transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management charges	
	2023 £	2022 £
Subsidiaries	(1,489,571)	-

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2023 £	2022 £
Subsidiaries	1,225,875	1,547,638

Amounts due to related parties	2023 £	2022 £
Subsidiaries	12,834	-

35 Company - Share capital

Ordinary share capital	31 December 2023 Number	31 December 2022 Number	31 December 2023 £	31 December 2022 £
Authorised				
Ordinary shares of 10p each	274,747,246	265,131,861	27,474,724	26,513,186
Issued and fully paid				
Ordinary shares of 10p each	274,747,246	265,131,861	27,474,724	26,513,186

There are no restrictions on the transfer of shares in Fiinu plc. All shares carry equal voting rights.

35 Company - Share capital (Continued)

Reconciliation of movements during the year:

	£	Number
At 1 April 2022	3,758,184	37,581,844
Issue of fully paid shares	22,755,002	227,550,017
At 31 December 2022	26,513,186	265,131,861

	£	Number
At 1 January 2023	26,513,186	265,131,861
Issue of fully paid shares	961,538	9,615,385
At 31 December 2023	27,474,724	274,747,246

36 Company - Cash generated from/(absorbed by) operations

	2023 £	2022 £
Loss for the year after tax	(46,611,419)	(752,487)
Adjustments for:		
Finance costs	74,590	-
Finance income	(9)	(69,111)
Depreciation and impairment of property, plant and equipment	-	44,909
Gain on sale of investments	-	(974,194)
Impairment of investments	45,946,726	-
Fair value movement	67,109	
Share based payments	605,470	-
Depreciation of non-current assets	134,726	-
Impairment of right of use asset	89,820	-
Movements in working capital:		
Decrease/(increase) in trade and other receivables	466,916	(1,627,020)
(Decrease)/increase in trade and other payables	(124,200)	12,504
Cash generated from/(absorbed by) operations	649,729	(3,365,399)

37 Company - Other reserves

Revaluation reserve
The revaluation reserve includes accumulated gains and losses on financial assets.

Share based payment reserve
The share based payment reserve includes share-based payment charges.