
RELENDEX LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 JANUARY 2020



RELENDEX LIMITED
REGISTERED NUMBER: 07486328

BALANCE SHEET
AS AT 31 JANUARY 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	480,218	202,421
Tangible assets	5	49,357	36,207
		<u>529,575</u>	<u>238,628</u>
Current assets			
Debtors: amounts falling due within one year	7	638,675	714,909
Current asset investments		1,016,337	-
Cash at bank and in hand	9	1,596,088	2,044,815
		<u>3,251,100</u>	<u>2,759,724</u>
Creditors: amounts falling due within one year	10	(316,742)	(119,108)
Net current assets		<u>2,934,358</u>	<u>2,640,616</u>
Total assets less current liabilities		<u>3,463,933</u>	<u>2,879,244</u>
Creditors: amounts falling due after more than one year	11	(2,000,000)	(2,000,000)
Net assets		<u><u>1,463,933</u></u>	<u><u>879,244</u></u>
Capital and reserves			
Called up share capital	13	131,061	118,916
Share premium account		7,242,334	6,104,177
Profit and loss account		(5,909,462)	(5,343,849)
		<u><u>1,463,933</u></u>	<u><u>879,244</u></u>

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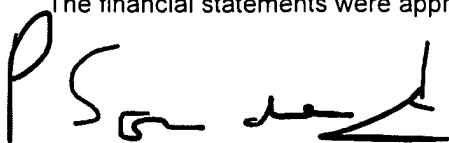
BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2020

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
P S D Sonabend
Director

Date:

26 May 2020

The notes on pages 3 to 11 form part of these financial statements.

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

1. General information

Relendex Limited is a limited company incorporated in the United Kingdom, registered office 99-100 Turnmill Street, London, England, EC1M 5QP.

The principal activity of the company during the year was the arrangement of finance between borrowers and lenders for use in commercially rented property.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis which assumes that the company will be able to continue trading for the foreseeable future being not less than twelve months from the date of approval of the financial statements. The company is in the the growth phase of development and continues to benefit from the support of its shareholders. Expenditure is directed at the continuing development of the company and is entirely scalable according to available resources.

The company is actively engaged in raising new equity and other finance raising activities to fund the next stage of development. During the year, the company issued new equity shares amounting to £1.2m, providing sufficient finance for the company's requirements for the foreseeable future and to facilitate the investment in growth intended in the company's internal projections. The directors are satisfied that the company has raised sufficient funds to support its activities and to ensure that the company is able to meet its business plans and honour its debts as they fall due within the agreed terms for the foreseeable future. Consequently, the directors are satisfied that the going concern basis is appropriate for the preparation of the financial statements.

2.3 Revenue

Turnover comprises the company's revenue in respect of fees and interest spread receivable earned by matching suitable lenders to borrowers requiring funding in relation to secured property lending during the year.

Arrangement fees are recognised once the borrower has committed to the loan and the lending becomes unconditional.

Interest spread receivable fees are recognised once the borrower has committed to the loan and lending becomes unconditional. It is recognised on an accruals basis in the period to which it relates.

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. Intangible assets are amortised over 3 years using the straight-line method.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

L/Term Leasehold Property	- straight line over the life of the lease
Fixtures & fittings	- 33% straight line
Office equipment	- 33% straight line
Computer equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any provision for bad or doubtful debts.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

RELENDEX LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.14 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, being 3 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 16 (2019 - 13).

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

4. Intangible assets

	Development expenditure £
Cost	
At 1 February 2019	575,467
Additions	320,663
Disposals	(299,924)
At 31 January 2020	<u>596,206</u>
Amortisation	
At 1 February 2019	373,046
Charge for the year on owned assets	42,866
On disposals	(299,924)
At 31 January 2020	<u>115,988</u>
Net book value	
At 31 January 2020	<u><u>480,218</u></u>
At 31 January 2019	<u><u>202,421</u></u>

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

5. Tangible fixed assets

	Long Term Leasehold Property £	Fixtures & fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 February 2019	36,120	10,768	21,199	17,308	85,395
Additions	-	4,382	-	21,711	26,093
Disposals	-	(5,204)	(21,199)	(9,543)	(35,946)
At 31 January 2020	36,120	9,946	-	29,476	75,542
Depreciation					
At 1 February 2019	8,027	6,440	20,577	14,144	49,188
Charge for the year on owned assets	4,013	2,310	-	4,691	11,014
Disposals	-	(5,204)	(20,577)	(8,236)	(34,017)
At 31 January 2020	12,040	3,546	-	10,599	26,185
Net book value					
At 31 January 2020	24,080	6,400	-	18,877	49,357
At 31 January 2019	28,093	4,328	622	3,164	36,207

6. Fixed asset investments

Subsidiary undertakings

The Company has a £0.02 investment in each of the following wholly owned subsidiaries:

Relendex PT Limited (financial services)
Relendex Lending Limited (financial services)
Relendex Security Trustees Limited (dormant)

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

7. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	-	596,481
Other debtors	289,205	32,075
Prepayments and accrued income	169,470	86,353
Deferred taxation	180,000	-
	<u>638,675</u>	<u>714,909</u>

8. Current asset investments

	2020 £	2019 £
Trade loans	1,016,337	-
	<u>1,016,337</u>	<u>-</u>

9. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>1,596,088</u>	<u>2,044,815</u>

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	10,256	62,601
Other taxation and social security	26,178	29,114
Other creditors	238,106	-
Accruals and deferred income	42,202	27,393
	<u>316,742</u>	<u>119,108</u>

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

11. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	2,000,000	2,000,000
	<u>2,000,000</u>	<u>2,000,000</u>

12. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due 2-5 years		
Convertible loan notes	2,000,000	2,000,000
	<u>2,000,000</u>	<u>2,000,000</u>

The company has in issue £2m of unsecured convertible loan notes due for redemption on 2 October 2022. At any time prior to this date, the noteholders have the right to convert the loan notes into fully paid B Shares at the conversion price of £1.275 per share. Interest is payable on the principal amount outstanding at 1% per annum.

13. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
71,495 (2019 - 71,495) Ordinary A shares of £0.01 each	714.95	714.95
13,034,575 (2019 - 11,820,154) Ordinary B shares of £0.01 each	130,345.75	118,201.54
	<u>131,060.70</u>	<u>118,916.49</u>

During the year 1,000 Ordinary B shares were issued at £0.30 per share.
During the year 459,773 Ordinary B shares were issued at £0.87 per share.
During the year 227,272 Ordinary B shares were issued at £1.10 per share.
During the year 526,316 Ordinary B shares were issued at £0.95 per share.

14. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £14,282 (2019 - £5,928).

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

15. Commitments under operating leases

At 31 January 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	52,000	51,333
Later than 1 year and not later than 5 years	173,777	173,333
	<u>225,777</u>	<u>224,666</u>

16. Post balance sheet events

The global coronavirus outbreak has cast uncertainty over the future of many businesses. Since the balance sheet date, the country has been forced into lockdown. There is considerable uncertainty as to what the overall impact will be however the directors are putting plans in place to work through this crisis and are continually monitoring the rapidly changing situation.

Although there is much speculation as to the impact on the general economy of COVID-19 and the government's responses to it, the directors have considered carefully the likely impact on the company and concluded that, while there may be effects on the short term property market, the methods used by the company for lending structures are such as to make the company resilient to such fluctuations. The directors consider that it is more likely that, following the crisis, opportunities will arise, and the company, being well funded and having a robust business model, will be well placed to succeed in the future.

No account of the impact of COVID-19 has been taken in these financial statements because the impact is not able to be reliably assessed.

17. Auditor's information

In accordance with section 444A of the Companies Act 2006, the company is subject to the small companies regime and as such the directors have not delivered to the Registrar a copy of the company's profit and loss account or a copy of the directors' report. The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime, and in accordance with the provisions of FRS 102 section 1A - small entities.

The financial statements of the company were audited by Hillier Hopkins LLP (Registered Auditor). The auditor's report was unqualified and signed by Jonathan Franks FCA as Senior Statutory Auditor for and on behalf of Hillier Hopkins LLP.