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**RELENDEX LIMITED**

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**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 JANUARY 2022**



**RELENDEX LIMITED**  
**REGISTERED NUMBER: 07486328**

**BALANCE SHEET**  
**AS AT 31 JANUARY 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	4	1,032,056	747,757
Tangible assets	5	18,994	33,888
		<u>1,051,050</u>	<u>781,645</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	2,551,324	1,255,516
Current asset investments	8	669,151	812,721
Cash at bank and in hand	9	206,548	1,083,668
		<u>3,427,023</u>	<u>3,151,905</u>
Creditors: amounts falling due within one year	10	<u>(1,388,932)</u>	<u>(182,407)</u>
<b>Net current assets</b>		<u>2,038,091</u>	<u>2,969,498</u>
<b>Total assets less current liabilities</b>		<u>3,089,141</u>	<u>3,751,143</u>
Creditors: amounts falling due after more than one year	11	-	(1,500,000)
<b>Net assets</b>		<u><u>3,089,141</u></u>	<u><u>2,251,143</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	148,833	141,083
Share premium account		8,391,012	7,883,762
Profit and loss account		(5,450,704)	(5,773,702)
		<u><u>3,089,141</u></u>	<u><u>2,251,143</u></u>

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**RELENDEX LIMITED**  
**REGISTERED NUMBER: 07486328**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 JANUARY 2022**


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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:

  
Paul Sonabend (May 24, 2022 08:48 MDT).....

**P S D Sonabend**  
Director

Date: May 24, 2022

The notes on pages 3 to 12 form part of these financial statements.

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## RELENDEX LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

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#### 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 now generating profits as predicted by management 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 its development. During the year, the company issued new equity capital amounting to £0.5m, 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 balance sheet shows net assets, which while falling short of the total share capital, provide adequate resources. 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 and is expecting growth in its profitability in future years. 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

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**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 and are amortised from the date the assets come into use.

**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
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 Debtors**

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

**2.7 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

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**2. Accounting policies (continued)**

**2.8 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.

**2.9 Creditors**

Short term creditors are measured at the transaction price.

**2.10 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure

**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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

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**2. Accounting policies (continued)**

**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.

Deferred tax assets are recognised on the basis of future reversals that can be foreseen with reasonable certainty. The rates applicable to longer term anticipated reversals are based on current rates or such other rates as can reasonably be expected to apply based on the best information available, whether or not enacted or substantially enacted.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022

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**2. Accounting policies (continued)**

**2.14 Research and development**

The company's operations are dependent upon its platform for matching parties to transactions. This custom designed software platform is considered to be unique, and as such, the cost of development is original development providing the framework for the company's business model.

In accordance with the requirements of FRS102, the directors evaluate the expected future economic benefits of the development project and capitalised direct costs and an appropriate share of overhead as development costs to the extent that they are satisfied with reasonable certainty that those benefits will exceed the cost.

While it is possible to measure the costs with reasonable certainty, the economic benefit of the development expenditure is that of the entire business undertaking, since such development is fundamental to the the main business activity. As such, the directors have concluded that, as well as following the requirements of FRS102, it is a logical imperative that the development expenditure be capitalised as an intangible asset.

The expected useful life of the asset created cannot be properly assessed, because, in the nature of internet-based development, the useful life will depend on the changes in technology introduced over the coming years. The directors have evaluated the useful life at three years initially, to take account of the fast changing environment of computer technology, but intend to review this estimate in the light of future developments in the field.

**3. Employees**

The average monthly number of employees, including directors, during the year was 14 (2021 - 14).



RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022

4. Intangible assets

	Software platform £	Software platform under development £	Total £
<b>Cost</b>			
At 1 February 2021	176,903	728,218	905,121
Additions - internal	-	303,838	303,838
At 31 January 2022	176,903	1,032,056	1,208,959
<b>Amortisation</b>			
At 1 February 2021	157,364	-	157,364
Charge for the year on owned assets	19,539	-	19,539
At 31 January 2022	176,903	-	176,903
<b>Net book value</b>			
At 31 January 2022	-	1,032,056	1,032,056
At 31 January 2021	19,539	728,218	747,757

RELENDEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022

5. Tangible fixed assets

	Long Term Leasehold Property £	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 February 2021	36,120	9,946	31,490	77,556
Additions	-	-	4,211	4,211
At 31 January 2022	36,120	9,946	35,701	81,767
<b>Depreciation</b>				
At 1 February 2021	19,264	6,858	17,546	43,668
Charge for the year on owned assets	7,224	2,079	-	9,303
Disposals	-	-	9,802	9,802
At 31 January 2022	26,488	8,937	27,348	62,773
<b>Net book value</b>				
At 31 January 2022	9,632	1,009	8,353	18,994
At 31 January 2021	16,856	3,088	13,944	33,888

6. Fixed asset investments

Subsidiary undertakings

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

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

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RELENDEX LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022

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7. Debtors

	2022 £	2021 £
Other debtors	1,778,403	628,331
Prepayments and accrued income	272,921	247,185
Deferred taxation	500,000	380,000
	<u>2,551,324</u>	<u>1,255,516</u>

8. Current asset investments

	2022 £	2021 £
Unlisted investments	669,151	812,721
	<u>669,151</u>	<u>812,721</u>

9. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	206,548	1,083,668
	<u>206,548</u>	<u>1,083,668</u>

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	1,000,000	-
Trade creditors	22,760	14,652
Other taxation and social security	34,490	38,405
Other creditors	261,047	36,411
Accruals and deferred income	70,635	92,939
	<u>1,388,932</u>	<u>182,407</u>

**RELENDEX LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other loans	-	1,500,000
	<u>-</u>	<u>1,500,000</u>
	<u>-</u>	<u>1,500,000</u>

**12. Loans**

Analysis of the maturity of loans is given below:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Other loans	1,000,000	-
	<u>1,000,000</u>	<u>-</u>
	<u>1,000,000</u>	<u>-</u>
<b>Amounts falling due 2-5 years</b>		
Other loans	-	1,500,000
	<u>-</u>	<u>1,500,000</u>
	<u>-</u>	<u>1,500,000</u>
	<u>1,000,000</u>	<u>1,500,000</u>

The company has in issue £1.5m 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. During the year, £500,000 of loan notes were converted to equity. Interest is payable on the principal amount outstanding at 1% per annum.

**13. Share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
71,495 (2021 - 71,495) Ordinary A shares of £0.01 each	714.95	714.95
14,811,805 (2021 - 14,036,805) Ordinary B shares of £0.01 each	148,118.05	140,368.05
	<u>148,833.00</u>	<u>141,083.00</u>
	<u>148,833.00</u>	<u>141,083.00</u>

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RELENDEX LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022

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**13. Share capital (continued)**

During the year, 150,000 Ordinary B shares were issued at £0.465 per share and 625,000 Ordinary B shares were issued at £0.80 per share on conversion of the convertible loan notes.

The company has set up approved EMI schemes where various share options were granted to a number of employees. These are exercisable within 5 years of the grant date.

At the beginning of the year 921,000 options were outstanding with a weighted average exercise price of £0.57.

During the year 525,000 options were exercised with a weighted average exercise price of £0.10.

During the year 138,700 options expired with a weighted average exercise price of £1.77.

During the year 30,000 options were issued with a weighted average exercise price of £0.90.

At the end of the year 288,000 options were outstanding with a weighted average exercise price of £0.90.

**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 £14,277 (2021 - £14,786).

**15. Commitments under operating leases**

At 31 January 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	52,000	52,000
Later than 1 year and not later than 5 years	17,333	121,333
	<u>69,333</u>	<u>173,333</u>

**16. 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.