

# LendInvest Funds Management Limited

Financial statements for the year ended 31 March 2018

Company registration number 07667749



<b>Contents</b>	<b>Page</b>
Officers and professional advisors	3
Directors' report for the year	4
Directors' responsibilities statement	5
Independent auditor's report	6
Statement of profit and loss and other comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12

**Officers and Professional Advisors**

<b>Directors</b>	Christian Faes Ian Thomas
<b>Secretary</b>	Ian Thomas
<b>Company number</b>	07667749
<b>Registered office</b>	8 Mortimer Street London England W1T 3JJ
<b>Auditors</b>	BDO LLP
<b>Bankers</b>	Barclays Bank Plc.

**Directors' report for the year ended 31 March 2018**

The directors present their report together with the annual financial statements of LendInvest Funds Management Limited (the "Company"), for the year ended 31 March 2018. The directors have taken advantage of the small companies' exemption from preparing a strategic report.

**Principal activities**

The principal activity of the Company is to act as a fund management company.

**Charitable and political donations**

The Company made no charitable or political donations in the current year (2017: nil).

**Going concern**

The directors believe and have reasonable expectations that the Company has adequate resources, both financial and non-financial, to continue its operational activities for the foreseeable future. Therefore, the financial statements of the Company have been prepared on the going concern basis.

**Directors**

The directors of the Company during the year and subsequently were:

Christian Faes  
Ian Thomas

**Auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information which the Company's auditors is unaware; and
- the director has taken all the necessary steps that he should have taken as a director to make himself aware of any relevant audit information and to established that the Company's auditor is aware of that information.

BDO LLP has expressed their willingness to continue as auditor.

**Directors statement as to the disclosure of information to auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

In preparing this directors' report advantage has been taken of the small companies' exemption.

Approved by the Board of Directors and signed on their behalf by:



.....  
Ian Thomas  
16 July 2018

**Directors' responsibilities statement**

The directors are responsible for preparing the directors' 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LENDINVEST FUNDS MANAGEMENT LIMITED**

### **Opinion**

We have audited the financial statements of LendInvest Funds Management Limited ("the Company") for the year ended 31 March 2018 which comprise the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LENDINVEST FUNDS MANAGEMENT LIMITED (continued)**

**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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 Director's 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.; or
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**LendInvest Funds Management Limited**

**Financial statements for the year ended 31 March 2018**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LENDINVEST FUNDS MANAGEMENT LIMITED (continued)**

**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.



Matthew Hopkins (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
16 July 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



LendInvest Funds Management Limited

Statement of profit and loss and other comprehensive income

For the year ended 31 March 2018

	<b>Note</b>	<b>31 March 2018 £'000</b>	<b>31 March 2017 £'000</b>
<b>Revenue</b>	<b>3</b>	<b>72</b>	<b>72</b>
<b>Gross profit</b>		<b>72</b>	<b>72</b>
Administrative expenses		<b>(67)</b>	<b>(67)</b>
<b>Profit on ordinary activities before taxation</b>	<b>4</b>	<b>5</b>	<b>5</b>
Tax on profit on ordinary activities	<b>5</b>	<b>(1)</b>	<b>(1)</b>
<b>Profit for the financial year</b>		<b>4</b>	<b>4</b>
Other comprehensive income for the financial year, net of tax		-	-
<b>Total comprehensive income for the financial year</b>		<b>4</b>	<b>4</b>

All the above amounts are derived from continuing operations.

The Company has no recognised gains or losses other than the results for the year and previous year as set out above.

The notes on pages 12 to 17 form an integral part of these financial statements.

LendInvest Funds Management Limited

Statement of financial position

At 31 March 2018

	Note	31 March 2018 £'000	31 March 2017 £'000
<b>Assets</b>			
Debtors	6	6	-
Cash at bank and in hand	7	72	64
<b>Total assets</b>		<b>78</b>	<b>64</b>
<b>Liabilities</b>			
Creditors	8	(28)	(22)
<b>Total liabilities</b>		<b>(28)</b>	<b>(22)</b>
<b>Net assets</b>		<b>50</b>	<b>42</b>
<b>Equity</b>			
Share capital	9	14	10
Retained profits		36	32
<b>Total equity</b>		<b>50</b>	<b>42</b>

The notes on pages 12 to 17 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 16 July 2018.

Signed on behalf of the board of directors:



Ian Thomas  
Director

LendInvest Funds Management Limited

Statement of changes in equity

For the year ended 31 March 2018

	Called-up share capital £ '000	Profit and loss account £ '000	Total £ '000
<b>At 1 April 2016</b>	<b>10</b>	<b>28</b>	<b>38</b>
Issue of shares	-	-	-
Profit for the year	-	4	4
Other comprehensive income	-	-	-
<b>At 31 March 2017</b>	<b>10</b>	<b>32</b>	<b>42</b>
<b>At 1 April 2017</b>	<b>10</b>	<b>32</b>	<b>42</b>
Issue of shares	4	-	4
Profit for the year	-	4	4
Other comprehensive income	-	-	-
<b>At 31 March 2018</b>	<b>14</b>	<b>36</b>	<b>50</b>

The notes on pages 12 to 17 form an integral part of these financial statements.

## **1 Company information**

LendInvest Funds Management Limited is a private company incorporated on 13 June 2011 in the United Kingdom under the Companies Act. The address of its registered office is given on page 3. The principal activity of the Company is to act as a fund management company.

## **2 Accounting policies**

### *2.1 Basis of preparation*

These financial statements have been prepared in accordance with applicable accounting standards and in accordance with Financial Reporting Standard 101 – 'The Reduced Disclosure Framework' (FRS 101). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have all been applied consistently throughout the year unless otherwise stated. The financial statements are presented in Sterling (£).

### *2.2 Changes in accounting policies*

There were no changes in accounting policies during the year.

### *2.3 Going concern*

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

### *2.4 Parent Company*

The Company is a wholly owned subsidiary of LendInvest Limited a company incorporated in the United Kingdom and registered in England and Wales. The directors regard LendInvest Limited as the parent company. The directors do not believe there to be an ultimate controlling party of the group.

LendInvest Limited prepares publicly available consolidated financial statements in accordance with IFRS. This Company is included in the consolidated financial statements of LendInvest Limited for the year ended 31 March 2018. These accounts are available from 8 Mortimer Street, London, England, W1T 3JJ.

## **2 Accounting policies (continued)**

### **2.5 Disclosure exemptions adopted**

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- 1 A statement of cash flows and related notes
- 2 Non-current asset held for sale and discontinued operation net cash flow disclosure
- 3 The requirement to produce a balance sheet at the beginning of the earliest comparative period
- 4 The requirements of IAS 24 related party disclosures to disclose related party transactions entered in to between two or more members of the group as they are wholly owned within the group
- 5 Presentation of comparative reconciliations for property, plant and equipment, intangible assets, investment properties and agriculture
- 6 Disclosure of key management personnel compensation
- 7 Presentation of comparative reconciliation of the number of shares outstanding at the beginning and at the end of the period
- 8 The effect of future accounting standards not adopted
- 9 Fair value measurement disclosures (other than disclosures required as a result of recording financial instruments at fair value)

### **2.6 Cash**

Cash comprise cash on hand and demand deposits which is presented as cash at bank and in hand in the statement of financial position.

### **2.7 Equity and reserves**

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

### **2.8 Revenue recognition**

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured. Revenue represents amounts received in respect of management fees. All revenue recorded in the financial statements is generated in the UK and sourced from transactions related to management fees.

### **2.9 Administrative expenses**

Administrative expenses are recognised in the statement of comprehensive income in the period in which they are incurred (on an accruals basis).

Notes to the financial statements

For the year ended 31 March 2018

*2.10 Critical accounting estimates and judgements*

The preparation of financial statements in accordance with FRS 101 requires the use of estimates. It also requires management to exercise judgement in applying the accounting policies. In the view of directors, there are no significant judgements or estimates other than the accounting policies of the business.

*2.11 Current taxation*

The tax expense for the period comprises current tax. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end date.

**3 Revenue**

Total revenue, analysed by category, was as follows:

	<b>31 March 2018 £'000</b>	<b>31 March 2017 £'000</b>
Management fees	<b>72</b>	<b>72</b>

**4 Profit on ordinary activities before taxation**

The profit on ordinary activities before taxation is stated after:

	<b>31 March 2018 £'000</b>	<b>31 March 2017 £'000</b>
Auditor's remuneration - Fees payable to the Company's auditor for the audit of the Company's annual accounts	<b>-</b>	<b>2</b>

All fees payable to the Company's auditor for audit and non-audit services for the current year are borne by the parent company, LendInvest Limited and disclosed in note 8 of the financial statements of the LendInvest Limited group.

The directors of the Company are remunerated by LendInvest Limited as detailed in note 10 of the financial statements of the LendInvest Limited group.

The Company had no employees during the year (2017: nil).

Notes to the financial statements

For the year ended 31 March 2018

**5 Tax on profit on ordinary activities**

The tax charge is based on the profit for the year and represents:

	<b>31 March 2018 £000</b>	<b>31 March 2017 £000</b>
Profit before tax	<u>5</u>	<u>5</u>
Income tax expense calculated at standard the UK corporation tax rate of 19% (2017: 20%)	<b>1</b>	<b>1</b>
Effects of:		
Expenses not deductible for tax purposes	-	-
Income not taxable for tax purposes	-	-
Total income tax/ (income)	<u><b>1</b></u>	<u><b>1</b></u>
UK corporation tax (19%)	<b>1</b>	<b>1</b>
Adjustments in respect of previous periods	-	-
Total current tax	<u><b>1</b></u>	<u><b>1</b></u>

**6 Debtors**

	<b>31 March 2018 £'000</b>	<b>31 March 2017 £'000</b>
<i>Due within one year:</i>		
Amounts owed from related entities	<u><b>6</b></u>	<u>-</u>
	<u><b>6</b></u>	<u>-</u>

**7 Cash**

	<b>31 March 2018 £'000</b>	<b>31 March 2017 £'000</b>
Cash	<b>72</b>	<b>64</b>
	<b>72</b>	<b>64</b>

**8 Creditors**

	<b>31 March 2018 £'000</b>	<b>31 March 2017 £'000</b>
<i>Due within one year:</i>		
Accruals	<b>1</b>	<b>-</b>
Corporation tax payable	<b>1</b>	<b>1</b>
Amounts owed to related entities	<b>26</b>	<b>21</b>
	<b>28</b>	<b>22</b>

**9 Share capital**

	<b>31 March 2018 £'000</b>	<b>31 March 2017 £'000</b>
Authorised, allotted and fully paid:		
14,000 ordinary shares of £1 each (2017: 10,000)	<b>14</b>	<b>10</b>

During the year, the Company issued and allotted an additional 4,000 shares to LendInvest Limited.

**Capital management**

The Company considers its capital to comprise of its equity share capital plus its accumulated retained profits.

The Company's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.



## 10 Reserves

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

**Retained profits** – includes all current and prior period retained profits and losses

## 11 Related party disclosures

### *Transactions with group companies*

As permitted by FRS 101 related party transactions with wholly owned members of the LendInvest Limited have not been disclosed.

During the year the Company entered into the following transactions with related parties who are not members of the Group. LendInvest Income Fund LP was not consolidated into the Group in the prior years but has been consolidated during this year and therefore transactions with this related party have not been disclosed for the current year.

31 March 2017	Balance due to/from	Fee income
	£'000	£'000
LendInvest Income Fund LP	-	72