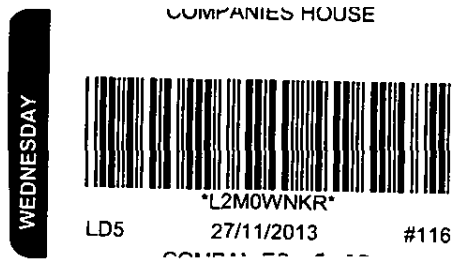


THE SHARE REPUBLIC PLC
DIRECTORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2013



**THE SHARE REPUBLIC PLC
FOR THE PERIOD ENDED 31 MAY 2013**

COMPANY INFORMATION

Directors

Mr Geoffrey Hoodless
Mrs Vola Parker

Company number

06905213

Registered office

Quadrant House
4 Thomas More Square
London
E1W 1YW

Auditors

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London
E1W 1YW

THE SHARE REPUBLIC PLC
FOR THE PERIOD ENDED 31 MAY 2013

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**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MAY 2013**

The directors present their report and consolidated financial statements for the period ended 31 May 2013

Principal activity

The Share Republic Limited was incorporated on 13 March 2012 and re-registered as a Public Limited Company on 12 October 2012. The principal activity of The Share Republic Plc is a holding company.

The principal activity of its wholly owned subsidiary The Share Republic com Limited is that of corporate finance advisory services. The Share Republic com Limited is authorised and regulated by the Financial Conduct Authority. It was created with the intention to develop, build and exploit an online, internet based, securities trading platform, so that private (retail) customers could buy and sell securities, initially on the UK stock exchanges.

Your directors have reviewed numerous corporate finance opportunities, but the low level of corporate finance revenue reflects the current economic environment, and the company's primary goal of developing an electronic dealing platform.

Directors' responsibilities for the accounts

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. 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,
- state whether applicable UK 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 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.

Results and dividends

The results for the period are set out in the consolidated profit and loss account on page 5. The directors do not recommend payment of a dividend. Retained losses of £30,869 have been transferred to reserves.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2013**

Directors and shareholdings

The directors who held office during the year were

Mr Geoffrey Hoodless (Appointed on incorporation)
Mrs Vola Parker (Appointed 16 May 2012)

Statement of disclosure to auditors

So far as the directors are aware, at the time of approval of their report

- There is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution proposing that UHY Hacker Young LLP be re-appointed as auditors of the company will be put to the Annual General Meeting

By order of the board



Mr Geoffrey Hoodless
Director

20 November 2013

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE SHARE REPUBLIC PLC**

We have audited the group and parent company financial statements (the "financial statements") of The Share Republic Plc on pages 5 to 15 for the period ended 31 May 2013, which comprise the Consolidated Profit and Loss Account, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Part 3 of Chapter 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with relevant law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the company's affairs as at 31 May 2013 and of the group's loss 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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE SHARE REPUBLIC PLC**

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 a) to the financial statements concerning the group's ability to continue as a going concern. The group incurred losses of £30,869 during the period ended 31 May 2013 and is reliant upon its shareholders for continuing support. These conditions along with those discussed in note 1 a) indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group were unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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



**Michael Egan (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young**

20 November 2013

**Chartered Accountants
Statutory Auditor**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 MAY 2013**

	Notes	2013 £
Turnover	2	1,500
Administrative expenses		(32,369)
Loss on ordinary activities before taxation		<hr/> (30,869)
Tax on loss on ordinary activities	4	-
Loss for the period	12	<hr/> <hr/> (30,869)

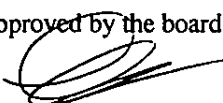
The consolidated profit and loss account has been prepared on the basis that all operations are continuing operations

There were no recognised gains or losses other than the loss for the period

**CONSOLIDATED BALANCE SHEET
AS AT 31 MAY 2013**

	Notes	£	2013 £
Fixed assets			
Intangible assets	6		93,097
Tangible assets	7		-
			<hr/>
			93,097
Current assets			
Debtors	9	6,530	
Cash at bank and in hand		14,638	
		<hr/>	
		21,168	
Creditors: amounts falling due within one year	10	(22,241)	
		<hr/>	
Net current liabilities			(1,073)
			<hr/>
Total assets less current liabilities			92,024
			<hr/> <hr/>
Capital and reserves			
Called up share capital	11		59,552
Share premium account	12		15,200
Profit and loss account	12		(93,977)
Merger reserve	12		111,249
			<hr/>
Shareholders' funds			92,024
			<hr/> <hr/>

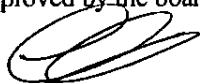
Approved by the board on 20 November 2013 and signed on its behalf by


Mr Geoffrey Hoodless
Company No: 07988346

**COMPANY BALANCE SHEET
AS AT 31 MAY 2013**

	Notes	£	2013 £
Fixed assets			
Investments	8		89,752
			<hr/>
			89,752
Current assets			
Cash at bank and in hand		5,922	
		<hr/>	
		5,922	
Creditors: amounts falling due within one year	10	(23,228)	
		<hr/>	
Net current liabilities			(17,306)
			<hr/>
Total assets less current liabilities			72,446
			<hr/> <hr/>
Capital and reserves			
Called up share capital	11		59,552
Share Premium account	12		15,200
Profit and loss account	12		(2,306)
			<hr/>
Shareholders' funds			72,446
			<hr/> <hr/>

Approved by the board on 20 November 2013 and signed on its behalf by



Mr Geoffrey Hoodless
Company No: 07988346

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MAY 2013**

	Notes	£	2013 £
Net cash outflow from operating activities	16		(29,214)
Payments to acquire intangible assets		(16,636)	
		<hr/>	
Net cash outflow for capital expenditure			(16,636)
			<hr/>
Net cash outflow before management of liquid resources and financing			(45,850)
Financing			
Issue of ordinary share capital		16,000	
		<hr/>	
Net cash inflow from financing			16,000
			<hr/>
Decrease in cash in the period	17		(29,850)
			<hr/> <hr/>

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 AY 2013**

1. Principal accounting policies**a) Accounting convention**

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards

As at 31 May 2013 the Group had net assets of £92,024 and the Directors are satisfied that the going concern basis is appropriate for the preparation of these financial statements as they consider the support of the shareholders will be forthcoming as and when required. There is however no guarantee that this will be received and consequentially a material uncertainty exists that may cause significant doubt over the company's ability to continue in the normal course of business for the foreseeable future.

The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

b) Cash flow statement

The cash flows of the company are included in the consolidated cash flow statement of The Share Republic plc. Consequently the company is exempt under the terms of FRS 1 (Revised) from publishing a cash flow statement.

c) Consolidation

The financial statements consolidate the accounts of the company and its subsidiary undertakings and have been prepared by using the principles of merger accounting in accordance with FRS 6 Acquisitions and Mergers. The Group was formed following a share for share exchange exercised on 2 August 2013 between the company and the Share Republic.com Limited which is considered to meet the requirements of FRS 6 to be accounted for as a merger. Accordingly a merger reserve has been created to represent the difference between the value of the shares issued and the nominal value of the share capital and share premium account in the subsidiary.

Intra-group balances are eliminated fully on consolidation.

d) Turnover

Turnover represents fees for undertaking corporate finance transactions net of VAT. Turnover is recognised when the Group is contractually entitled to do so.

e) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write-off the cost less estimated residual value of each asset, over its expected useful life as follows -

Fixtures and fittings	- 3 years straight line
-----------------------	-------------------------

f) Investments

Fixed asset investments are stated at cost less provision for diminution in value.

**NOTES TO THE ACCOUNTS
FOR THE YPERIOD ENDED 31 MAY 2013**

2. Turnover

The total turnover of the Group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3. Operating loss

Operating loss is stated after charging	2013
	£
Depreciation of tangible assets	584
Fees payable to the company's auditors for the audit of the annual accounts	2,400
Fees payable to the company's auditors for the audit of its subsidiaries	2,400
Fees payable to the company's auditors for other services – taxation	500
	<u><u> </u></u>

4. Tax on loss on ordinary activities

	2013
	£
Corporation tax	
- current period	-
	<u> </u>
Tax charge	-
	<u><u> </u></u>

	2013
	£
Factors affecting the tax charge for the year	
Loss on ordinary activities before taxation	(30,869)
	<u><u> </u></u>
Loss on ordinary activities before taxation multiplied By the standard rate of UK corporation tax of 20.00%	(6,174)
	<u><u> </u></u>
Effects of	
Non-deductible expenses	-
Capital allowances	-
Other tax adjustments	6,174
	<u> </u>
	6,174
	<u><u> </u></u>
Current tax charge for the year	-
	<u><u> </u></u>

The Group have trading losses of approximately £90,000 to carry forward against future profits

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MAY 2013**

5. Holding company profit and loss account

The Company has taken advantage of the legal dispensation granted under S 408 of the Companies Act 2006 allowing it not to present its own profit and loss account. The retained loss for the year of £2,306 has been dealt with in the accounts of the Company.

6. Intangible fixed assets

	Development Costs
	£
Cost	
On incorporation	-
Addition through group restructuring	76,461
Additions	16,636
	<hr/>
At 31 May 2013	93,097
	<hr/>
Net book value	
At 31 May 2013	93,097
	<hr/> <hr/>

7. Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
On incorporation	-
Addition through group restructuring	1,750
	<hr/>
Depreciation	
On incorporation	-
Addition through group restructuring	1,166
Charge for the period	584
	<hr/>
At 31 May 2013	1,750
	<hr/>
Net book value	
At 31 May 2013	-
	<hr/> <hr/>

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2013**

8. Fixed asset investments

The Company

	Shares in subsidiary undertakings £
Cost	
On incorporation	-
Additions	89,752
	<hr/>
At 31 May 2013	89,752
	<hr/> <hr/>

During the period from incorporation the company acquired 100% of the ordinary shares of The Share Republic com Limited through an initial investment in the share capital of £15,000 and subsequently on 2 August 2012 via a share for share exchange for the remaining share capital

A further £16,000 was invested via share issues during the period since the share for share exchange

In the opinion of the Directors, the aggregate value of the investment in the subsidiary undertaking is not less than the carrying amount.

A summary of the subsidiary undertakings is shown below

Name of company	Country of registration or incorporation	% of capital held	Nature of business
Held directly			
The Share Republic com Ltd	UK	100%	Corporate finance advisory
TSRC	UK	100% (indirectly)	Dormant

9. Debtors

	2013
	Group Company
	£ £
Trade debtors	6,530 -
	<hr/>
	6,530 -
	<hr/> <hr/>

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MAY 2013**

10. Creditors: amounts falling due within one year

	2013	
	Group £	Company £
Amounts owed to subsidiary undertakings	-	8,228
Other creditors	18,844	15,000
Accruals and deferred income	3,397	-
	<u>22,241</u>	<u>23,228</u>

During the period the Company received a loan of £15,000 from Eurico Oscar Da Conceicao dos Santos Covas and Geoffrey Hoodless to facilitate the acquisition of shares in The Share Republic com Limited. The loan is unsecured and is convertible into ordinary shares at the behest of the creditors into ordinary shares in the company as a price of £0.08 per share up to 31 August 2022.

11. Called up share capital

	2013 £
Allotted, called up and fully paid	
5,955,200 ordinary shares of £0.01 each	<u>59,552</u>

The Company was incorporated on 15 March 2012 with 1 ordinary share of £0.01. On 2 August 2012 the Company issued 5,875,199 ordinary shares of £0.01 in consideration for the remaining share capital of The Share Republic com Limited that it did not already own. Subsequently a further 80,000 shares have been issued of £0.01.

12. Statement of movement on reserves

The Group	Merger Reserve £	Share Premium £	Profit and loss account £
On incorporation	-	-	-
Loss for the period	-	-	(30,869)
Premium on the issue of shares	-	15,200	-
Transfer on group restructuring	111,249	-	(63,108)
At 31 May 2013	<u>111,249</u>	<u>15,200</u>	<u>(93,977)</u>

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MAY 2013**

12. Statement of movement on reserves (continued)

The Company

	Share Premium £	Profit and loss account £
On incorporation	-	-
Loss for the period	-	(2,306)
Premium on the issue of shares	15,200	-
	<hr/>	<hr/>
At 31 May 2013	<u>15,200</u>	<u>(2,306)</u>

13. Reconciliation of movements in shareholders' funds

	Group 2013 £	Company 2013 £
Loss for the financial period	(30,869)	(2,306)
Proceeds from issue of shares	74,752	74,752
Addition to shareholders funds on group reconstruction	48,141	-
	<hr/>	<hr/>
Net addition to shareholders' funds	92,024	72,446
Opening shareholders' funds	-	-
	<hr/>	<hr/>
Closing shareholders' funds	<u>92,024</u>	<u>72,446</u>

14. Employees

Number of employees

There were no employees during the year apart from the directors and no remuneration as paid

15. Control

The Company is not controlled by any one party

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MAY 2013**

16. Reconciliation of operating loss to net cash outflow from operating activities

	2013 £
Operating loss	(30,869)
Depreciation of tangible assets	584
Decrease in debtors	1,499
Decrease in creditors	(428)
	<hr/>
Net cash outflow from operating activities	<u>(29,214)</u>

17. Analysis of net funds

	On incorporation £	Addition on group reconstruction £	Cash Flow £	31 May 2013 £
Net cash				
Cash at bank and in hand	-	44,488	(29,850)	14,638
	<hr/>	<hr/>	<hr/>	<hr/>
Net funds	<u>-</u>	<u>44,488</u>	<u>(29,850)</u>	<u>14,638</u>

18. Reconciliation of net cash flow to movements in net debt

	2013 £
Increase in cash in the period	14,638
	<hr/>
Movement in net funds in the period	14,638
Opening net funds	-
	<hr/>
Closing net funds	<u>14,638</u>

19. Related Parties

There were no related party transactions in the period other than those disclosed in notes 8 and 10