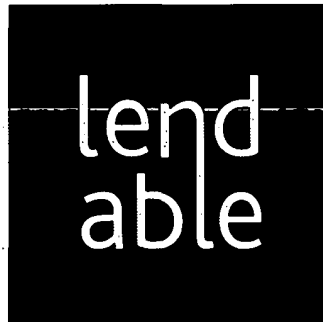
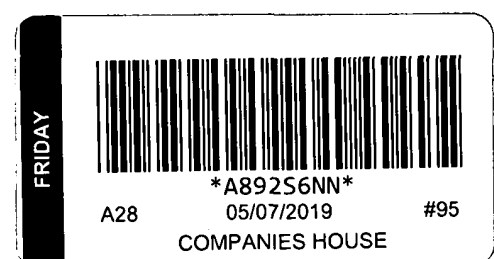


REGISTERED NUMBER: 08828186 (England and Wales)



LENDABLE LTD

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2018**



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COMPANY INFORMATION

DIRECTOR: K M Kissinger

REGISTERED OFFICE: Lendable Ltd
128 Shoreditch High Street
London
E1 6JE

REGISTERED NUMBER: 08828186 (England and Wales)

AUDITORS: BDO LLP
55 Baker Street
London
W1U 7EU


STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
CURRENT ASSETS			
Debtors	5	552,543	163,186
Cash at bank		14,171,730	7,928,013
		<u>14,724,273</u>	<u>8,091,199</u>
CREDITORS			
Amounts falling due within one year	6	(14,719,411)	(8,086,337)
NET CURRENT ASSETS		<u>4,862</u>	<u>4,862</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,862</u>	<u>4,862</u>
PROVISIONS FOR LIABILITIES		-	-
NET ASSETS		<u>4,862</u>	<u>4,862</u>
CAPITAL AND RESERVES			
Called up share capital		3	3
Retained earnings		4,859	4,859
SHAREHOLDERS' FUNDS		<u>4,682</u>	<u>4,862</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 28/6/19 and were signed by:


K M Kissinger – Director

The notes on pages 3 – 7 form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. STATUTORY INFORMATION

Lendable Ltd is a private Company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £.

Other receivables

Other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash held at banks.

Trade and other payables

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at the prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against future taxable profits or against the reversal of deferred tax liabilities.

Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

NOTES TO THE FINANCIAL STATEMENTS

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial assets and liabilities

Basic financial assets, which include debtors and cash and bank balances are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified receivable within one year are not amortised.

Basic financial liabilities, which include creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

4. EMPLOYEES AND DIRECTORS

The average number of employees and directors during the year was 1 (2017 – 1).

5. DEBTORS: FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	552,543	163,186

Other debtors relate to cash in transit at the year end.

6. CREDITORS: FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Investor funds	10,904,727	6,472,189
Amounts owed to group undertakings	2,351,021	797,001
Taxation	726,910	-
Other creditors	726,555	280,411
Accruals and deferred income	10,198	536,736
	14,719,411	8,086,337

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT

The parent Company, Lendable Operations Ltd, through the directors, has overall responsibility for the establishment and oversight of the Company's risk management framework.

The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and ensure any limits are adhered to. The Company's activities are reviewed regularly and potential risks are considered.

The Company's risk management programme seeks to minimise potential adverse effects on the Company's financial performance.

Risk factors

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from cash and cash equivalents held at banks. There is no credit risk from loans issued on the platform.

The Company has implemented certain operational processes and policies to address the Company's credit related risks around counterparty risk and transactional bad debt. The credit quality of the financial assets has been assessed and no further impairment is required.

Counterparty risk in relation to cash and cash equivalents held is managed by selecting and working only with appropriate financial institutions. The financial stability of the partners will be assessed prior to and at regular intervals during the relationship.

Transactional bad debt, or loss, risk is managed by regular monitoring. Revenue largely arises from fees charged and they carry no bad debt risk. The risk relates to small amounts that may be payable in exceptional circumstances.

The Company's maximum exposure to credit risk by class of financial asset is as follows:

	2018 £	2017 £
Trade and other receivables		
- Other debtors and cash in transit	552,543	163,186
- Cash and cash equivalents	14,171,730	7,928,013

Credit risk is mitigated as cash and cash equivalents are held with PRA or FCA authorised deposit taking institutions. Above table excludes amounts where not classed as a financial asset.

NOTES TO THE FINANCIAL STATEMENTS

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always be in a position where it has sufficient liquid assets to meet its liabilities as they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's position.

It is in the Company's operations to monitor the liquidity position on an ongoing basis.

The amounts disclosed below are the contractual undiscounted cash flows.

As at 31 December 2018	Within 12 months
Financial assets	£
Other receivables	552,543
Cash and cash equivalents	14,171,730
	<u>14,724,273</u>
Financial liabilities	
Restricted pre-funding and investor funds	10,904,727
Amounts owed to group undertakings	2,351,021
Other creditors	726,555
Accruals and deferred income	10,198
	<u>13,992,501</u>
As at 31 December 2017	
Financial assets	
Other receivables	163,186
Cash and cash equivalents	7,928,013
	<u>8,091,199</u>
Financial liabilities	
Restricted pre-funding and investor funds	6,472,189
Amounts owed to group undertakings	797,001
Other creditors	280,411
Accruals and deferred income	536,736
	<u>8,086,337</u>

Restricted pre-funding and investor funds fall due in line with the underlying terms and conditions of the loan note subscription or loan purchase and servicing deed.

Market risk

The Company does not have significant exposure to liquidity, cash flow or interest rate risk and therefore no sensitivity analysis for those risks has been disclosed.

Capital Management

The Company considers its capital to comprise of ordinary share capital adding its accumulated retained earnings. The objective of the directors of the parent Company, Lendable Operations Ltd, when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholders.

NOTES TO THE FINANCIAL STATEMENTS

The Company is not currently subject to any specific externally imposed capital requirements, however the Company is fully authorised by the Financial Conduct Authority and is subject to its capital regime. The Company has put in place adequate financial resources well in excess of its estimated financial resource requirements.

8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The report of the Auditors was unqualified and there was no emphasis of matter paragraph.

The Senior Statutory Auditor who signed the audit report was Matthew Hopkins for and on behalf of BDO LLP, 55 Baker Street, London, W1U 7EU.

9. RELATED PARTY TRANSACTIONS

During 2018 and 2017 Lendable Operations Ltd, the Parent, charged the Company a management fee an amount equal to 80% of its revenue for the year, the remaining 20% of profit after tax was paid to the Lendable Operations Ltd in the form of a dividend.

10. ULTIMATE PARENT UNDERTAKING

Lendable Operations Ltd continues to hold 100% of the issued share capital of Lendable Limited at 31 December 2018 and is therefore regarded as the immediate and ultimate parent undertaking.