

LENDABLE OPERATIONS LTD

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2017**



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COMPANY INFORMATION

DIRECTORS:

K M Kissinger
P Pamment
R S Dighero

REGISTERED OFFICE:

128 Shoreditch High Street
London
E1 6JE

REGISTERED NUMBER:

09011579 (England and Wales)

AUDITORS:

BDO LLP
55 Baker Street
London
W1U 7EU

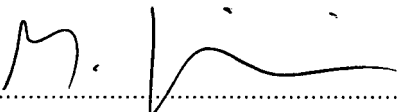
STATEMENT OF FINANCIAL POSTION 31 DECEMBER 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Intangible assets	5	55,267	-
Tangible assets	6	32,244	23,996
Investments	7	5	3
		<u>87,516</u>	<u>23,999</u>
CURRENT ASSETS			
Debtors	8	1,131,764	659,092
Cash at bank		3,011,383	447,368
		<u>4,143,147</u>	<u>1,106,460</u>
CREDITORS			
Amounts falling due within one year	9	(940,766)	(226,086)
NET CURRENT ASSETS		<u>3,202,381</u>	<u>880,374</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,289,897</u>	<u>904,373</u>
CAPITAL AND RESERVES			
Called up share capital	11	6	5
Share premium		4,042,710	2,034,805
Retained earnings		(752,819)	(1,130,437)
SHAREHOLDERS' FUNDS		<u>3,289,897</u>	<u>904,373</u>

The financial statements have been prepared and delivered 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 Board of Directors on 17/18/18 and were signed on its behalf by:


K M Kissinger – Director

NOTES TO THE FINANCIAL STATEMENTS

1. STATUTORY INFORMATION

Lendable Operations 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 £.

Preparation of consolidated financial statements

The financial statements contain information about Lendable Operations Ltd as an individual Company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399 (2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Significant judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

Share-based payment transactions

Significant estimates and judgements include the estimation of the fair value of share based payments. The Company has used the Black-Scholes valuation model to determine the fair value of share based payments. Any changes to volatility and assumptions made by management will impact the valuation.

NOTES TO THE FINANCIAL STATEMENTS

Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Turnover and other income

Turnover is measured at the fair value of the consideration received. The policies adopted for the recognition of turnover are as follows:

Management charges

Turnover from management charges represents net management fees charged to the Company's subsidiary which are exempt from Value Added Tax in accordance with the provisions of Schedule 9A Section 5 of the Value Added Tax Act 1994. The fees are recognised when the services are provided.

Referral and consultancy income

Turnover from referrals and consultancy represents net invoiced services provided, it is recognised by reference to the stage of completion of any service at the balance sheet date and is net of Value Added Tax.

Other income

Dividends

Income from its subsidiary undertaking is recognised when the right to receive payment is established.

Interest receivable

Bank interest is recognised using the effective interest method. Interest from investments and lending activities is recognised using effective interest receivable and applicable over the term of the lending arrangement.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. There is an annual impairment review of the intangible assets to determine whether impairment has occurred.

Website development costs

Website development costs are being amortised evenly over their estimated useful life of two years. Amortisation is charged once the feature capitalised goes live and is available for use.

Other intangible assets

Integration setup costs are being amortised evenly over their estimated useful life of 3 years.

NOTES TO THE FINANCIAL STATEMENTS

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Fixtures fittings – 25% on cost
- Computer equipment – 25% on cost

Investments in subsidiaries

Investments in subsidiaries are measured at cost less impairment.

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 as 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.

Trade and other receivables

Trade and 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.

Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise 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.

NOTES TO THE FINANCIAL STATEMENTS

Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to the profit or loss in the period to which they relate.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Research and development

Expenditure on research and development is written off against the profits in the year which it is incurred.

Share-based payments

Share-based compensation benefits are provided to employees and third parties under various equity settled schemes. The fair value of the options and warrants granted is recognised as an expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value.

The total expense is recognised over the expected vesting period, which is the period over which the vesting conditions are expected to be satisfied.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 23 (2016 – 16).

NOTES TO THE FINANCIAL STATEMENTS

5. INTANGIBLE FIXED ASSETS

	Website development £	Other intangibles £	Total £
COST			
Additions	41,400	15,600	57,000
At 31.12.2017	41,400	15,600	57,000
AMORTISATION			
Amortisation for the year	-	1,733	1,733
At 31.12.2017	-	1,733	1,733
NET BOOK VALUE			
At 31.12.2017	41,400	13,867	55,267

6. TANGIBLE FIXED ASSETS

	Fixtures £	Computer £	Total £
COST			
At 01.01.2017	12,300	20,675	32,975
Additions	9,284	14,724	24,008
Disposals	(8,113)	(1,959)	(10,072)
At 31.12.2017	13,471	33,440	46,911
DEPRECIATION			
At 01.01.2017	2,799	6,180	8,979
Charge for the year	4,739	7,046	11,785
Eliminated on disposal	(4,680)	(1,417)	(6,097)
At 31.12.2017	2,858	11,809	14,667
NET BOOK VALUE			
At 31.12.2017	10,613	21,631	32,244
At 31.12.2016	9,501	14,495	23,996

NOTES TO THE FINANCIAL STATEMENTS

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 01.01.2017	3
Additions	2
At 31.12.2017	<u>5</u>
NET BOOK VALUE	
At 31.12.2017	<u>5</u>
At 31.12.2016	<u>3</u>

The Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Lendable Ltd

Registered office: 128 Shoreditch High Street, London, E1 6JE

Nature of business: Online marketplace - regulated consumer loans

Holding – 100% ordinary shares

	2017 £	2016 £
Aggregate capital and reserves	4,862	4,862
Profit for the year	<u>865,384</u>	<u>321,092</u>

Comparable Ltd

Registered office: 128 Shoreditch High Street, London, E1 6JE

Nature of business: N/A – Dormant Company

Holding – 100% ordinary shares

The investments held relate to non-listed wholly owned subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

8. DEBTORS: FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	22,623	20,548
Amounts owed by group undertakings	797,001	468,345
Other debtors	312,140	170,199
	<u>1,131,764</u>	<u>659,092</u>

9. CREDITORS: FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	206,339	106,928
Taxation and social security	61,476	14,765
Other creditors	672,951	104,393
	<u>940,766</u>	<u>226,086</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017 £	2016 £
Within one year	264,600	123,642
Between one and five years	294,350	104,000
	<u>558,950</u>	<u>227,642</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number	Class	Nominal value	2017 (£)
5,715,661	Ordinary	0.000001p	<u>6</u>
Number	Class	Nominal value	2016 (£)
5,402,181	Ordinary	0.000001p	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS

12. 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.

13. RELATED PARTY DISCLOSURES

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.