

1ST STOP HOLDINGS LIMITED

**Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements**

FOR THE YEAR ENDED 31 MARCH 2018



1ST STOP HOLDINGS LIMITED

COMPANY INFORMATION

Directors	L.V. McMurray M.J.G. Potter D. Enright A.J. Mollart M.A. Robins P.A. George S.P. Baker (appointed 24 October 2017)
Registered number	10024904
Registered office	8 Hanover Street London United Kingdom W1S 1YQ
Independent auditors	Ernst & Young LLP 1 Bridgewater Place Leeds LS11 5QR

1ST STOP HOLDINGS LIMITED

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1ST STOP HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018

Introduction

1st Stop Holdings Limited is a holding company that consolidates all subsidiaries in The 1st Stop Group (Group), a specialist UK lender focused on those customers who are unable or unwilling to borrow from high street lenders. By focusing on areas of the market where the management team has specialist knowledge, 1st Stop Group is able to use a tailored and unique scoring system where consumers' individual circumstances are considered allowing the Group to grow in a market space which is outside the scope of the big four high street lenders. This rate to risk product set supports stable returns on investment and supports the Group's growth plans.

Significant investment has been made to enhance the customer journey to enable the Group to become a lender of choice for second tier finance with a strong focus on developing back-office systems to sustain and incorporate the significant growth achieved in the year. This makes 1st Stop attractive to large introducers who through the year have been welcomed on to our lending platform.

Business review

1st Stop Holdings Limited achieved substantial growth in the year increasing the loan book to £123.4m. Operating Profit increased from £2.7m to £5.8m an increase of 114%. Loss before tax reduced from £4.3m to £2.1m.

1st Stop Group wrote a total of 11,195 new agreements in the year (2017: 7,578) and increased the portfolio of lending contracts from 14,156 to 21,825, a 54% increase. This growth was achieved from the combination of a revised product range, increased operational efficiency, easier application processes and quicker response times. Building upon the Group's existing working relationships and introducing new market leading brokers in the year also contributed to driving growth.

Throughout the year 1st Stop Group has invested heavily to enhance the operating and back office systems. This new streamlined approach has allowed 1st Stop to increase business and improve operational efficiency. This involved development of new application and collection systems capable of supporting the Group's projected growth strategy. The Group has also invested substantially in upgrading existing reporting capabilities by developing an in-house data warehouse.

The 1st Stop Group secured significant new funding facilities during the year including a £75m facility with Citibank PLC, a £35m syndicated facility and a £10m mezzanine facility. The continued support from its funders has enabled the business to meet its ambitious growth plans.

Turnover increased by 70% to £26.9m (2017: £15.8m), primarily as a result of the receivables growth with revenue margins being broadly stable.

Interest payable and expenses costs increased by 11% to £7.8m (2017: £7.0m) compared with a growth in year end receivables of 62% due to 1st Stop Group benefitting from a Group refinancing project which crystalized in July 2017.

Cost of sales increased by 93% to £8.5m (2017: £4.4m) as a result of business growth.

Administrative expenses increased by 46% to £12.7m (2017: £8.7m) as a result of business growth.

1ST STOP HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Principal risks and uncertainties

Before the start of each financial year the Board approves detailed budgets and forecasts for the year ahead. It also approves outline projections for the subsequent two years. Actual performance against these budgets is monitored in detail through the Group's management accounts which include key financial and non-financial performance indicators.

The Board has identified that the principle risk for the Group is that customers will fail to pay on contracts for the full duration of their term. To reduce this risk continuous improvements to collections processes have been developed and implemented. Furthermore, constant improvements to the automated decision engine on applications have been introduced culminating in the application of a new scorecard system.

Interest Rate Risk

Interest rate risk exists on 1st Stop Group's debt facilities utilised to fund assets, specifically as the interest rate charged is a fixed percentage over the London Inter Bank Offer Rate (LIBOR). The Group purchased an interest rate cap to mitigate this risk.

Liquidity Risk

The Group defines liquidity risk as the Group not being able to meet its liabilities as they fall due. The Group monitors its assets and liabilities on an ongoing basis to ensure that liabilities are met. The Group's strategy is to match the Group's funding profile to that of the assets which are being funded.

Credit Risk

The Group defines credit risk as loss arising from third parties and customers failing to make payments when due. The Group takes a measured approach to assessing credit risk. The Group understands that due to unforeseen circumstances individuals may experience financial difficulties which could impact their ability to make payments. To mitigate this risk, the Group undertakes a stringent decisioning process when lending to consumers, constant monitoring of arrears, combined with frequent, clear and robust communications with customers.

Operational Risk

The Group defines operational risk as the risk of loss arising from inadequate or failed internal processes, systems, people, or from external events. The Group seeks to minimise the downside risk from the impact of unforeseen operational failures within our business and in our suppliers and service providers.

Reputational risk

The Group defines reputational risk as the loss resulting from damage to the Group's reputation and does not have an appetite for accepting risks that could cause material reputational damage.

Strategic Risk

The Group defines strategic risk as loss arising from adverse business decisions, improper business implementation or a lack of responsiveness to changes in the business environment. This may result in failure to acquire and sustain business or relationships. The Group aspires to be widely recognised by our customers, stakeholders and colleagues as a high performing customer focussed company. In order to meet this objective, the Group accepts that minimal risks may need to be taken to ensure the on-going development and innovation of its operations through strategic projects and initiatives. However, any risks taken are documented and have appropriate controls in place.

Governance

The Board of 1st Stop Holdings Limited is responsible for managing the day-to-day strategic risks of the 1st Stop Group. 1st Stop Group is managed as a consolidated business, and the committees and risk management policies operate across the Group. The Board delegates some of its responsibilities to subcommittees, as set out below.

The following committees all report to the Board of 1st Stop Holdings Limited:

1ST STOP HOLDINGS LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Group Credit & Pricing Committee

This committee's duties include:

- Reviews credit performance;
- Approves underwriting rule changes;
- Assesses new products or product changes;
- Approves pricing changes.

Audit Risk & Compliance Committee

This committee's duties include:

- Reviews and approves group policies;
- Reviews and acts upon feedback from internal and external audits;
- Considers and monitors the ongoing effectiveness of the group's risk management framework, including systems and controls, risk policies and risk appetite;
- Reviews the 1st Stop Group risk register, considers the appropriateness of risk specific classifications and proposed mitigants as set out in the risk register.

Audit Committee

This committee's duties include:

- Consider the effectiveness, independence and knowledge of the group's senior team to enable them to discharge their respective duties and responsibilities effectively;
- Appoint both internal and external auditors;
- Review the responses from the audit reports and ensure the management teams response to the report is both appropriate and effective.

This report was approved by the board on 1 August 2018 and signed on its behalf.

M.A. Robins
Director



1ST STOP HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report and the financial statements for the year ended 31 March 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £1,966,236 (2017 - loss £3,638,890).

1st Stop Holdings Limited paid dividends of £283,180 within the financial year (2017: £289,767). Further information can be found in note 10.

Directors

The directors who served during the year were:

L.V. McMurray
M.J.G. Potter
D. Enright
A.J. Mollart
M.A. Robins
P.A. George
S.P. Baker (appointed 24 October 2017)

Environmental matters

The Group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Group has complied with all applicable legislation and regulations.

1ST STOP HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Future developments

Information on future developments are included in the introduction and business review section of the strategic report.

Share Capital

The issued share capital consist of £36.283m comprising of fully paid ordinary shares.

Company Secretary

During the financial year A. Mollart acted as company secretary. Eversheds Sutherland (International) LLP carried out company secretarial duties throughout the year.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 1 August 2018 and signed on its behalf.



M.A. Robins
Director

1ST STOP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1ST STOP HOLDINGS LIMITED

Opinion

We have audited the financial statements of 1st Stop Holdings Limited for the year ended 31 March 2018 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 26, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2018 and of its 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.

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 below. We are independent of the group and parent 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 group's or the parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any for 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

1ST STOP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1ST STOP HOLDINGS LIMITED

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' 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 parent company 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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 group's and the parent 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 group or the parent 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 on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

1ST STOP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1ST STOP HOLDINGS LIMITED

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.

A handwritten signature in black ink, appearing to read 'Ernst & Young LLP', is positioned above the printed name of the auditor.

Steven Robb (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP, Statutory Auditor
Leeds
Date: 1 August 2018

1ST STOP HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

		31 March 2018 £	Period 24 February 2016 to 31 March 2017 £
	Note		
Turnover		26,923,784	15,819,475
Cost of sales		(8,464,414)	(4,359,506)
Gross profit		<u>18,459,370</u>	<u>11,459,969</u>
Administrative expenses		(12,704,351)	(8,743,606)
Operating profit	4	<u>5,755,019</u>	<u>2,716,363</u>
Interest receivable and similar income		9,418	12,500
Interest payable and expenses	8	(7,822,926)	(7,006,836)
Loss before tax		<u>(2,058,489)</u>	<u>(4,277,973)</u>
Tax on loss	9	92,253	639,083
Total comprehensive loss for the financial year		<u>(1,966,236)</u>	<u>(3,638,890)</u>
Other comprehensive income for the year			

The notes on pages 15 to 33 form part of these financial statements.

There was no other comprehensive income (loss) for 2018 (2017:£NIL)

1ST STOP HOLDINGS LIMITED
REGISTERED NUMBER: 10024904

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	11	9,497,849	10,689,843
Tangible assets	12	718,955	480,166
Investments	13	250,000	250,000
		<u>10,466,804</u>	<u>11,420,009</u>
Current assets			
Debtors	14	124,876,152	41,860,887
Cash at bank and in hand	15	6,695,598	15,899,883
		<u>131,571,750</u>	<u>57,760,770</u>
Creditors: amounts falling due within one year	16	(3,170,555)	(11,965,293)
Net current assets		<u>128,401,195</u>	<u>45,795,477</u>
Total assets less current liabilities		<u>138,867,999</u>	<u>57,215,486</u>
Creditors: amounts falling due after more than one year	17	(108,633,664)	(24,731,735)
Net assets		<u><u>30,234,335</u></u>	<u><u>32,483,751</u></u>
Capital and reserves			
Called up share capital	21	36,284,721	36,284,721
Share premium account		132,000	132,000
Profit And Loss Account		(6,182,386)	(3,932,970)
		<u>30,234,335</u>	<u>32,483,751</u>
		<u><u>30,234,335</u></u>	<u><u>32,483,751</u></u>

The were approved and authorised for issue by the and were signed on behalf on 1 August 2018.



M.A. Robins
Director

The notes on pages 15 to 33 form part of these financial statements.

1ST STOP HOLDINGS LIMITED
REGISTERED NUMBER: 10024904

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	11	11,428,980	11,428,980
		<u>11,428,980</u>	<u>11,428,980</u>
Current assets			
Debtors	14	24,998,739	10,249,099
Cash at bank and in hand	15	-	14,745,749
		<u>24,998,739</u>	<u>24,994,848</u>
Creditors: amounts falling due within one year	16	-	(17,999)
Net current assets		<u>24,998,739</u>	<u>24,976,849</u>
Total assets less current liabilities		<u>36,427,719</u>	<u>36,405,829</u>
Net assets excluding pension asset		<u>36,427,719</u>	<u>36,405,829</u>
Net assets		<u><u>36,427,719</u></u>	<u><u>36,405,829</u></u>
Capital and reserves			
Called up share capital	21	36,284,721	36,284,721
Share premium account		132,000	132,000
Profit and loss account		10,998	(10,892)
		<u>36,427,719</u>	<u>36,405,829</u>

Company's Profit for the financial year: £281,472 (2017: £283,186)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1 August 2018


M.A. Robins
 Director

The notes on pages 14 to 31 form part of these financial statements.

1ST STOP HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 24 February 2016	36,284,721	132,000	(4,313)	36,412,408
Comprehensive income for the period	-	-	(3,638,890)	(3,638,890)
Dividends paid	-	-	(289,767)	(289,767)
At 1 April 2017	36,284,721	132,000	(3,932,970)	32,483,751
Comprehensive income for the year	-	-	(1,966,236)	(1,966,236)
Dividends paid	-	-	(283,180)	(283,180)
At 31 March 2018	36,284,721	132,000	(6,182,386)	30,234,335

The notes on pages 15 to 33 form part of these financial statements.

1ST STOP HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 24 February 2016	36,284,721	132,000	-	36,416,721
Comprehensive income for the period	-	-	283,186	283,186
Dividends paid	-	-	(294,078)	(294,078)
At 1 April 2017	36,284,721	132,000	(10,892)	36,405,829
Comprehensive income for the period	-	-	281,472	281,472
Dividends paid	-	-	(259,582)	(259,582)
At 31 March 2018	36,284,721	132,000	10,998	36,427,719

The notes on pages 15 to 33 form part of these financial statements.

1ST STOP HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018**

	2018 £	2017 £
Cash flows from operating activities		
Loss for the financial year	(1,966,236)	(3,638,890)
Adjustments for:		
Amortisation of intangible assets	1,191,995	1,011,408
Depreciation of tangible assets	238,908	238,900
Interest received	(9,418)	-
(Increase) in prepayments, accrued income and other assets	(2,950,140)	(5,128,549)
Increase in accruals, deferred income and other liabilities	(2,061,413)	4,358,688
(Increase) in loans advanced to customers	(80,084,470)	(36,727,063)
(Increase) in loans advanced to customers	77,187,939	32,328,753
Net cash generated from operating activities	<u>(8,452,835)</u>	<u>(7,556,753)</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(11,552,417)
Purchase of tangible fixed assets	(477,689)	(1,117,900)
Interest received	9,418	-
Net cash from investing activities	<u>(468,271)</u>	<u>(12,670,317)</u>
Cash flows from financing activities		
Issue of ordinary shares	-	36,416,721
Dividends paid	(283,180)	(289,767)
Net cash used in financing activities	<u>(283,180)</u>	<u>36,126,954</u>
Net (decrease)/increase in cash and cash equivalents	<u>(9,204,286)</u>	<u>15,899,884</u>
Cash and cash equivalents at beginning of year	15,899,884	-
Cash and cash equivalents at the end of year	<u><u>6,695,598</u></u>	<u><u>15,899,884</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	6,695,598	15,899,884
	<u><u>6,695,598</u></u>	<u><u>15,899,884</u></u>

The notes on pages 15 to 33 form part of these financial statements.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

1st Stop Holdings Limited 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 General Information page.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2016.

2.3 Turnover

Turnover represents interest, commissions and fees earned in respect of loans made. Turnover is recognised in the Statement of Comprehensive Income using the effective interest rate that discounts the estimated future cash payments and receipts through the expected life of the financial asset to the carrying amount of the financial asset.

All turnover arose within the United Kingdom

2.4 Cost of sales

Cost of sales represents direct costs incurred when underwriting loan agreements. Commission is recognised in the Statement of Comprehensive Income using the effective interest rate that discounts the estimated future cash payments and receipts through the expected life of the financial asset to the carrying amount of the financial asset.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.5 Administrative Expenses

Administrative expenses represents all indirect costs incurred by the group within the financial period. Expenses are charged to the Statement of Comprehensive Income in the year.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 24 February 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.7 Finance costs

Finance costs including interest payable are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.9 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of five to ten years.

Other 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 of five years. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 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:

Long-term leasehold property	-	5%
Short-term leasehold property	-	5%
Motor vehicles	-	25%
Office equipment	-	25%
Computer equipment	-	25%

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 the Consolidated statement of comprehensive income.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.12 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.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.15 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. This is recorded within administrative expenses on Statement of Comprehensive Income.

Financial assets and liabilities are only offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.15 Financial instruments (continued)

Derivatives, including interest rate swaps, are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate derivatives.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.17 Derecognition of financial assets and liabilities

The Group derecognises a financial asset when it transfers control and substantially all the risks and rewards of the asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Comprehensive Income.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.18 Fee income and expense

Fee income and expenses that are integral to the effective interest rate on a financial asset or financial liability are included in the measurement of the effective interest rate.

Fees receivable are recognised on the accruals basis when all contractual obligations have been fulfilled. This is recorded within turnover on the Statement of Comprehensive Income.

Other fees payable are recognised on an accrual basis when the service has been provided or on the completion of an act to which the fee relates, and are inclusive of VAT where applicable.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The Group makes estimates and judgements that affect the reported amounts of assets and liabilities. These are regularly evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances. These are described below:

Effective Interest Rate (EIR)

The calculation of an Effective Interest Rate (EIR) requires the Group to undertake an assessment of the expected lives of loans and of fees to be spread over the lives of products.

In determining the expected lives of loan assets, the Group uses historical and forecast redemption data as well as management judgement. The expected lives of loan assets are periodically reassessed for reasonableness as any variation in the expected lives will change the EIR carrying value in the Statement of Financial Position and the timing of the recognition of income. This is recorded in the Statement of Financial Position within loans advanced.

Impairment losses on loans and advances to customers

The Group reviews its loan advances portfolio on a continuous basis to assess impairment. In determining whether an impairment loss should be recorded, the Group is required to exercise a degree of judgement. Impairment allowances are calculated using historical arrears experience, modelled credit risk characteristics and expected cash flows. Estimates are applied to determine prevailing market conditions and customer behaviour. The accuracy of the allowances would therefore be affected by unexpected changes to these assumptions.

The key assumption is the expected level of defaults in each category of impairment – the propensity for default. The Group has calculated these default rates from its experience over recent years.

4. Operating profit

The operating profit is stated after charging:

	31 March 2018 £	Period 24 February 2016 to 31 March 2017 £
Depreciation	238,900	238,900
Loss on disposal of asset	-	596
Other operating lease rentals	33,084	4,641
Goodwill amortisation	1,191,994	1,011,408
Auditors' remuneration	70,000	57,000
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1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

5. Auditors' remuneration

	31 March 2018 £	Period 24 February 2016 to 31 March 2017 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	70,000	57,000

6. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Wages and salaries	4,911,784	2,257,114	-	-
Social security costs	512,210	368,797	-	-
	<u>5,423,994</u>	<u>2,625,911</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows:

	31 March 2018 No.	Period 24 February 2016 to 31 March 2017 No.
Directors and management	20	15
Customer team and admin support	130	97
	<u>150</u>	<u>112</u>

The Company has no employees other than the directors, who did not receive any remuneration from the Company in the current year (2017 - £NIL)

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

7. Directors' remuneration

	31 March 2018 £	Period 24 February 2016 to 31 March 2017 £
Directors' emoluments	578,596	496,926
	<u>578,596</u>	<u>496,926</u>

The highest paid director received remuneration of £222,000 (2017 - £204,176). The Group does not contribute to a defined contribution pension scheme for the highest paid director, therefore no accrued pension provision is required.

8. Interest payable and similar expenses

	31 March 2018 £	Period 24 February 2016 to 31 March 2017 £
Bank interest payable	-	1,370
Loan interest payable	7,454,369	3,875,146
Loans from group undertakings	57,113	117,220
Finance leases and hire purchase contracts	4,028	7,632
Loan early repayment and similar charges	307,416	3,005,468
	<u>7,822,926</u>	<u>7,006,836</u>

The loans from banks, finance providers and high net worth individuals (Other loans) are due for repayment within 5 years and attract interest rates of up to 13%.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9. Taxation

	31 March 2018 £	Period 24 February 2016 to 31 March 2017 £
Deferred tax		
Origination and reversal of timing differences	(92,253)	(639,083)
Total deferred tax	<u>(92,253)</u>	<u>(639,083)</u>
Taxation on loss on ordinary activities	<u>(92,253)</u>	<u>(639,083)</u>

Factors affecting tax charge for the year/period

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	31 March 2018 £	Period 24 February 2016 to 31 March 2017 £
Loss on ordinary activities before tax	<u>(2,058,489)</u>	<u>(4,277,974)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%).	(391,113)	(855,595)
Effects of:		
Expenses non deductible for tax purposes	72,381	15,804
Goodwill arising on consolidation	226,479	193,458
Marginal rates of tax and other adjustments	-	7,251
Adjustments to tax charge in respect of acquisition	-	(1)
Total Tax Charge/ (Credit) reported in income statement	<u>(92,253)</u>	<u>(639,083)</u>

Factors that may affect future tax charges

The headline rate of UK corporation tax reduced from 20% to 19% on 1 April 2017 and, following the enactment of Finance Act 2016 on 15th September 2016 it will reduce further to 17% from 1 April 2020.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date

1ST STOP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. Dividends

	2018 £	2017 £
Ordinary dividends paid	283,180	289,767
	<u>283,180</u>	<u>289,767</u>

11. Intangible assets and investments

Group

	Goodwill £
Cost	
At 1 April 2017	11,701,257
At 31 March 2018	<u>11,701,257</u>
Amortisation	
At 1 April 2017	1,011,414
Charge for the year	1,191,994
At 31 March 2018	<u>2,203,408</u>
Net book value	
At 31 March 2018	<u>9,497,849</u>
At 31 March 2017	<u>10,689,843</u>

1ST STOP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

11. Intangible assets and investments (continued)

Company

	Investments £
Cost	
At 1 April 2017	11,428,980
At 31 March 2018	<u>11,428,980</u>
Net book value	
At 31 March 2018	<u>11,428,980</u>
At 31 March 2017	<u>11,428,980</u>

The list of subsidiary undertakings can be found within note 13.

1ST STOP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

12. Tangible fixed assets

Group

	Long-term leasehold property £	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2017	-	103,362	106,759	907,779	1,117,900
Additions	23,060	-	27,063	427,566	477,689
At 31 March 2018	23,060	103,362	133,822	1,335,345	1,595,589
Depreciation					
At 1 April 2017	-	24,266	63,419	550,049	637,734
Charge for the year on owned assets	3,363	-	20,898	214,639	238,900
At 31 March 2018	3,363	24,266	84,317	764,688	876,634
Net book value					
At 31 March 2018	19,697	79,096	49,505	570,657	718,955
At 31 March 2017	-	79,096	43,340	357,730	480,166

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Long leasehold	19,697	-
Short leasehold	79,096	79,096
	98,793	79,096

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

13. Investments

Group

	Unlisted bond £
Cost	
At 1 April 2017	250,000
At 31 March 2018	<u>250,000</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
The 1st Stop Group Limited	Ordinary	100 %	Support company for an integrated group of businesses
Subsidiaries of 1st Stop Group Limited		%	
1st Stop Funding Ltd	Ordinary	100 %	Providing funding for 1st Stop Group
1st Stop Funding No 2 Ltd		0 %	Providing funding for 1st Stop Group
1st Stop Reserve Ltd	Ordinary	100 %	Providing funding for 1st Stop Group
1st Stop Home Loans Ltd	Ordinary	100 %	Providing secured loans to consumers
1st Stop Car Finance Ltd	Ordinary	100 %	Providing finance under hire purchase
1st Stop Personal Loans Ltd	Ordinary	100 %	Providing unsecured loans to consumers

1st Stop Funding No 2 Limited, meets the definition of a subsidiary and has been consolidated on the basis that the financial and operating decisions are made by 1st Stop Holdings Limited.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

14. Debtors

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Due after more than one year				
Loans advanced	111,594,177	23,332,722	325,000	-
Amounts owed by group undertakings	1	(8,796)	24,355,872	9,871,221
Provision against Loans Advanced	(6,613,282)	(3,375,744)	-	-
	<u>104,980,896</u>	<u>19,948,182</u>	<u>24,680,872</u>	<u>9,871,221</u>
Due within one year				
Loans advanced	11,830,635	16,770,085	-	-
Other debtors	3,662,953	4,221	-	-
Prepayments and accrued income	3,670,333	4,335,819	317,867	377,878
Tax recoverable	-	163,498	-	-
Deferred taxation	731,335	639,082	-	-
	<u>124,876,152</u>	<u>41,860,887</u>	<u>24,998,739</u>	<u>10,249,099</u>

Futher breakdown of financial instruments can be found in note 19.

Comparative amounts have been reclassified to conform to current year's presentation. There is no impact to Group / Company's net assets as a result of these adjustments.

15. Cash and cash equivalents

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Cash at bank and in hand	6,695,598	15,899,884	-	14,745,749
	<u>6,695,598</u>	<u>15,899,884</u>	<u>-</u>	<u>14,745,749</u>

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

16. Creditors: Amounts falling due within one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Bank loans	206,525	6,549,077	-	-
Other loans	680,606	1,043,248	-	-
Trade creditors	1,470,545	194,405	-	-
Corporation tax	2,611	-	-	-
Other taxation and social security	154,070	115,524	-	-
Obligations under finance lease and hire purchase contracts	-	31,389	-	-
Other creditors	133,416	5,000	-	-
Accruals and deferred income	522,782	4,026,650	-	17,999
	<u>3,170,555</u>	<u>11,965,293</u>	<u>-</u>	<u>17,999</u>

17. Creditors: Amounts falling due after more than one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Bank loans	101,124,269	27,558,894	-	-
Other loans	7,509,395	(2,818,363)	-	-
Corporation tax	-	(8,796)	-	-
	<u>108,633,664</u>	<u>24,731,735</u>	<u>-</u>	<u>-</u>

The loans from banks, finance providers and high net worth individuals (Other loans) are due for repayment within 5 years and attract interest rates of up to 13%.

Comparative amounts have been reclassified to conform to current year's presentation. There is no impact to Group / Company's net assets as a result of these adjustments.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

18. Loans

	Group 2018 £	Group 2017 £
Amounts falling due within one year		
Loan and finance providers	206,525	6,549,077
Other loans	680,606	1,043,248
	<u>887,131</u>	<u>7,592,325</u>
Amounts falling due 1-2 years		
Other loans	7,509,395	(2,818,363)
	<u>7,509,395</u>	<u>(2,818,363)</u>
Amounts falling due 2-5 years		
Loan and finance providers	101,124,269	27,558,894
	<u>101,124,269</u>	<u>27,558,894</u>
	<u>109,520,795</u>	<u>32,332,856</u>

19. Financial instruments

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>127,419,216</u>	<u>54,769,719</u>	<u>24,680,872</u>	<u>24,616,970</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(111,647,538)</u>	<u>(33,465,169)</u>	<u>-</u>	<u>(18,000)</u>

Financial assets that are debt instruments measured at amortised cost comprise of: amounts owed to group undertakings, loans advanced to customers, unlisted bonds and trade debtors.

Financial liabilities measured at amortised cost comprise of: trade creditors, amounts owed to group undertakings, other creditors, and other loans.

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

20. Deferred taxation

Group

	2018 £
At beginning of year	639,082
Tax losses in the year	92,253
Utilised in year	-
At end of year	731,335

At end of year

	Group 2018 £	Group 2017 £
Accelerated capital allowances	(60,106)	(59,443)
Tax losses in the year	791,441	698,525
	731,335	639,082

The directors estimate that based on current forecasts to March 2019 some £705k of the deferred tax asset will be utilised within the next 12 months as some £3.7m of tax losses will be utilised.

21. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
133,300 'A' Ordinary shares of £0.01 each	1,333	1,333
36,283,385 'A' Non voting Preference shares of £1 each	36,283,385	36,283,385
1 'C' Non voting Preference share of £1	1	1
1 'D' Non voting Preference share of £1	1	1
1 'E' Non voting Preference share of £1	1	1
	36,284,721	36,284,721

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

22. Commitments under operating leases

At 31 March 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2018 £	Group 2017 £
Not later than 1 year	-	31,389
	<u>-</u>	<u>31,389</u>

23. Transactions with directors

The following advances and credits to a director subsisted during the years ended 31 March 2018 and 31 March 2017:

	2018 £	2017 £
AJ Mollart		
Balance outstanding at start of year	-	548,648
Amounts advanced	-	-
Amounts repaid	-	(548,648)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	-	-
Mr D Enright		
Owing to the director at the year end	-	-
Interest paid to the director in year	-	10,668

During the year a subsidiary undertaking, 1st Stop Home Loans Limited, paid rent of £45,960 (2017: £41,160) in respect of the property from which that company conducts its business to SIPP pension funds. Mr AJ Mollart, a director of the company during the year, is a member of these SIPP pension funds.

During the year a subsidiary undertaking, 1st Stop Car Finance Limited, paid rent to a SIPP of £64,000 (2017: £36,000) for the use of the property from which it trades. A director of the company, Mr D Enright, is a member of this SIPP.

During the year the directors received no dividends from the company paid on their shareholdings (2017: £28,231).

The directors had given personal guarantees to certain loan and finance providers at the previous year end totalling £Nil (2018: £1,000,000).

1ST STOP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

24. Related party transactions

During the year a subsidiary undertaking was invoiced £5,589 (2017: £nil) by Clear Property Limited, a company with common directors. At the year end, the balance outstanding was nil (2017: £nil).

During the year a subsidiary undertaking was invoiced £2,334 (2017: £nil) by Clear Water Limited, a company with common directors. At the year end, the balance outstanding was nil (2017: £nil).

During the year a subsidiary undertaking was invoiced £2,000 (2017: £nil) by G Labs Limited, a company with common directors. At the year end, the balance outstanding was nil (2017: £nil).

During the year a subsidiary undertaking was invoiced £215,834 (2017: £856,389) by Shawbrook Asset Finance Limited, a company with common directors. At the year end, the balance outstanding was nil (2017: £nil).

During the year various subsidiary undertakings were invoiced £2,188,867 (2017: £191,751) by Cortland Capital Market Services Limited, a company acting on behalf of Shawbrook Bank and Pollen Street Capital which are entities with common directors. At the year end, the balance outstanding was £457,703 (2017: £nil).

During the year a subsidiary undertaking was invoiced £3,891 (2017: £nil) by Shawbrook Bank, a company with common directors. At the year end, the balance outstanding was nil (2017: £nil).

During the year a subsidiary undertaking was invoiced £2,441 (2017: £nil) by Honeycomb Investment Trust, an entity with common directors. At the year end, the balance outstanding was nil (2017: £nil).

25. Post balance sheet events

In July 2018, 1st Stop extended its funding facility with Citi from £75m to £150m and extended the term to July 2021.

26. Controlling party

The ultimate controlling party is Pollen Street Capital Limited, which is incorporated in Great Britain and registered in England and Wales (company number 08741640) and the registered office is at 8 Hanover Street, London, W1S 1YQ. Its Annual Report and Financial Statements are available from Companies House. In the opinion of the directors the company is controlled by Pollen Street Capital Limited as it is the ultimate parent undertaking of the 1st Stop Holdings Limited.