

Registered number: 10113174

**CHIP FINANCIAL LTD**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2018**



# **CHIP FINANCIAL LTD**

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**CHIP FINANCIAL LTD**  
**REGISTERED NUMBER:10113174**

**BALANCE SHEET**  
**AS AT 30 APRIL 2018**

	Note	2018 £	As restated 2017 £
<b>Fixed assets</b>			
Tangible assets	4	4,777	998
		<u>4,777</u>	<u>998</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	341,641	62,034
Cash at bank and in hand	6	330,991	18
		<u>672,632</u>	<u>62,052</u>
Creditors: amounts falling due within one year	7	(463,696)	(120,796)
<b>Net current assets/(liabilities)</b>		<u>208,936</u>	<u>(58,744)</u>
<b>Total assets less current liabilities</b>		<u>213,713</u>	<u>(57,746)</u>
<b>Net assets/(liabilities)</b>		<u>213,713</u>	<u>(57,746)</u>
<b>Capital and reserves</b>			
Called up share capital		496	2
Share premium account		1,229,711	137,665
Profit and loss account		(1,016,494)	(195,413)
		<u>213,713</u>	<u>(57,746)</u>

**CHIP FINANCIAL LTD**  
**REGISTERED NUMBER:10113174**  
**BALANCE SHEET (CONTINUED)**  
**AS AT 30 APRIL 2018**

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The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28/09/18



**Simon Rabin**  
Director

The notes on pages 3 to 8 form part of these financial statements.

## **CHIP FINANCIAL LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**

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#### **1. General information**

Chip Financial Ltd is a private company, limited by shares, domiciled in England and Wales, registration number 10113174. The registered office is 5th Floor, 89 New Bond Street, London, W1S 1DA and the trading address is 46 Park Hill Road, London, N2 9PX.

The principal activity of the company is providing financial intermediation services.

#### **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 Section 1A of 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 management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on a going concern basis as the director has confirmed that he will continue to support the company for the foreseeable future and meet the excess liabilities if the company is unable to do so.

##### **2.3 Foreign currency translation**

###### **Functional and presentation currency**

The company's functional and presentational currency is pound sterling.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

## **CHIP FINANCIAL LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**

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

##### **2.4 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Profit and loss account 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 company 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 08 April 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

##### **2.5 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### **2.6 Borrowing costs**

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

## CHIP FINANCIAL LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018

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#### 2. Accounting policies (continued)

##### 2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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 corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 balance sheet date.

##### 2.8 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:

Office equipment	-	25% Straight line basis
Computer equipment	-	25% Straight line basis

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 Profit and loss account.

##### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

##### 2.10 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.

**CHIP FINANCIAL LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2018**

**2. Accounting policies (continued)**

**2.11 Creditors**

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

**2.12 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**3. Employees**

The average monthly number of employees, including directors, during the year were 3 (2017 - 1).

**4. Tangible fixed assets**

	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 May 2017	1,070	-	1,070
Additions	491	3,773	4,264
At 30 April 2018	1,561	3,773	5,334
<b>Depreciation</b>			
At 1 May 2017	72	-	72
Charge for the year on owned assets	360	125	485
At 30 April 2018	432	125	557
<b>Net book value</b>			
At 30 April 2018	1,129	3,648	4,777



**CHIP FINANCIAL LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2018**

**5. Debtors**

	2018 £	2017 £
Other debtors	169,893	37,279
Prepayments and accrued income	7,294	-
Deferred taxation	164,454	24,755
	<u>341,641</u>	<u>62,034</u>

**6. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	330,991	18
Less: bank overdrafts	-	(27)
	<u>330,991</u>	<u>(9)</u>

**7. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Bank overdrafts	-	27
Trade creditors	160,149	35,629
Other taxation and social security	8,468	7,531
Other creditors	267,744	74,426
Accruals and deferred income	27,335	3,183
	<u>463,696</u>	<u>120,796</u>

**8. Prior year adjustment**

Share capital and share premium balances have been restated by reallocating £68,832 from share capital to the share premium account in the comparatives as well as the current year. This is due to the prior year balances being recorded incorrectly.

## CHIP FINANCIAL LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018

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#### 9. Commitments under operating leases

At 30 April 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	4,980	14,940
Later than 1 year and not later than 5 years	-	4,980
	<u>4,980</u>	<u>19,920</u>