

Lendwise Ltd

Unaudited Financial Statements

For Filing with Registrar

For the year ended 31 December 2020

Company Registration No. 10466048 (England and Wales)

Lendwise Ltd

Company Information

Directors	C Panayiotou	
	R Zaveri	
	K Mouzourou	(Appointed 24 February 2021)
	I Georgiou	(Appointed 24 February 2021)
Secretary	Norose Company Secretarial Services Limited	
Company number	10466048	
Registered office	3 More London Riverside London SE1 2AQ	
Accountants	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD	

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Balance Sheet

As at 31 December 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		2,826		4,209
Current assets					
Debtors	4	64,257		116,954	
Cash at bank and in hand		590,414		91,339	
		654,671		208,293	
Creditors: amounts falling due within one year	5	(180,664)		(196,974)	
Net current assets			474,007		11,319
Total assets less current liabilities			476,833		15,528
Creditors: amounts falling due after more than one year	6		(22,083)		-
Net assets			454,750		15,528
Capital and reserves					
Called up share capital	7	1,844,947		914,948	
Profit and loss reserves		(1,390,197)		(899,420)	
Total equity			454,750		15,528

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

Lendwise Ltd

Balance Sheet (Continued)

As at 31 December 2020

The financial statements were approved by the board of directors and authorised for issue on 27 April 2021 and are signed on its behalf by:

R. Zaveri
Director

Company Registration No. 10466048

Lendwise Ltd

Notes to the Financial Statements

For the year ended 31 December 2020

1 Accounting policies

Company information

Lendwise Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 3 More London Riverside, London, United Kingdom, SE1 2AQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have considered the potential impact of the coronavirus, and the various measures taken to contain it, on the operations of the company for the year ended 31 December 2020 and subsequently. The introduction of lockdown measures affected the company's operations by reducing the budgeted UK revenue growth. However, the company has mitigated the impact by taking advantage of government assistance programmes including a Bounce Back Loan of £25,000.

The company is in its growth phase and is currently incurring losses, it is therefore reliant on external investment to fund its working capital needs, this includes the issue of share capital. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being at least one year from the date of approval of the financial statements, so not to jeopardise the going concern status of the company nor to prejudice the interests of creditors. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Arrangement fees earned from borrowers are recognised on initiation of the loan. Loan servicing fees are recognised on a cash basis over the term as loans are repaid. All turnover is recognised on the basis that the company acts as an agent to the transaction rather than the principal.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	3 year straight line
Computers	3 year straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Lendwise Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

1 Accounting policies

(Continued)

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities. Clients assets in the form of loans and client money are not recognised in the financial statements.

1.6 Financial instruments

Basic financial instruments are measured at cost. The company has no other financial instruments or basic financial instruments measured at fair value.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits

The costs 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2019 - 3).

Lendwise Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2020	6,735
Additions	1,520
Disposals	(349)
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At 31 December 2020	7,906
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Depreciation and impairment	
At 1 January 2020	2,526
Depreciation charged in the year	2,558
Eliminated in respect of disposals	(4)
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At 31 December 2020	5,080
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Carrying amount	
At 31 December 2020	2,826
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At 31 December 2019	4,209
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4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts due from group undertakings	8,370	58,369
Other debtors	55,887	58,585
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	64,257	116,954
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5 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	2,917	-
Trade creditors	8,371	107,380
Other taxation and social security	143,417	72,414
Other creditors	25,959	17,180
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	180,664	196,974
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Lendwise Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2020

6 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	22,083	-

Bank loans consists of a Bounce Bank Loan repayable in May 2026, and incurs interest of 2.5% per annum. The amounts due within one year are included within note 5.

7 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
1,844,947 Ordinary shares of £1 each	1,844,947	914,948
	<u>1,844,947</u>	<u>914,948</u>

During the year 929,999 ordinary shares of £1 each were issued at par for cash.

8 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Within one year	7,744	56,304

9 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 section 33 'Related Party Disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group with which it is party to the transactions.

10 Control

The ultimate controlling party is Finovex Holdings Limited, a company incorporated in Cyprus.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.