

CROWDCUBE PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010



CROWDCUBE PLC

COMPANY INFORMATION

DIRECTORS R Elliott (appointed 10 September 2009 & resigned 21 October 2010)
L Lang (appointed 8 July 2010)
D Westlake (appointed 10 September 2009)

COMPANY SECRETARY D Westlake

COMPANY NUMBER 07014587

REGISTERED OFFICE Crowdcube PLC
The Innovation Centre University of Exeter
Rennes Drive
Exeter
Devon
EX4 4RN

AUDITORS Bishop Fleming
Chartered Accountants & Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

CROWDCUBE PLC

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CROWDCUBE PLC

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2010

The directors present their report and the financial statements for the period ended 30 September 2010

PRINCIPAL ACTIVITIES

The company newly incorporated on 30 September 2009. The company has incurred startup costs during the period in the aim to setting up a crowd funding platform and service.

BUSINESS REVIEW

Given the nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the company, and may in fact prove misleading to readers.

RESULTS

The loss for the period, after taxation, amounted to £9,841.

DIRECTORS

The directors who served during the period were:

R Elliott (appointed 10 September 2009 & resigned 21 October 2010)
L Lang (appointed 8 July 2010)
D Westlake (appointed 10 September 2009)

EVENTS SINCE THE END OF THE YEAR

Since the period end the company has formed a subsidiary undertaking called Crowdcube Ventures Limited.

The Directors are hopeful that a further investment round will be finalised in April or May 2011.

FUTURE DEVELOPMENTS

Crowdcube Ventures Limited, the trading subsidiary of Crowdcube Plc launched its crowdfunding website www.crowcube.com in March 2011.

COMPANY'S POLICY FOR PAYMENT OF CREDITORS

The company's payment policy is to pay creditors on standard payment terms of 30 days unless agreed otherwise.

PROVISION 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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

CROWDCUBE PLC

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

AUDITORS

The auditors, Bishop Fleming, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006

This report was approved by the board and signed on its behalf

D Westlake
Director



Date 28/3/2011

Crowdcube PLC
The Innovation Centre University of Exeter
Rennes Drive
Exeter
Devon
EX4 4RN

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

The directors are responsible for preparing the Directors' report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CROWDCUBE PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CROWDCUBE PLC

We have audited the financial statements of Crowdcube PLC for the period ended 30 September 2010, set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2010 and of its loss for the period 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

CROWDCUBE PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CROWDCUBE PLC

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 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



Jonathan Williams FCA (Senior Statutory Auditor)

for and on behalf of

BISHOP FLEMING

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date 31 March 2011

CROWDCUBE PLC

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

	Note	2010 £
TURNOVER	1,2	2,216
Cost of sales		<u>(1,127)</u>
GROSS PROFIT		1,089
Administrative expenses		<u>(10,930)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(9,841)
Tax on loss on ordinary activities		<u>-</u>
LOSS FOR THE FINANCIAL PERIOD	10	<u>(9,841)</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 other than those included in the Profit and loss account

The notes on pages 9 to 12 form part of these financial statements

CROWDCUBE PLC
REGISTERED NUMBER: 07014587

BALANCE SHEET
AS AT 30 SEPTEMBER 2010

	Note	£	2010 £
FIXED ASSETS			
Tangible assets	6		12,916
CURRENT ASSETS			
Debtors	7	45,756	
Cash at bank		7,337	
		<u>53,093</u>	
CREDITORS amounts falling due within one year	8	(5,850)	
NET CURRENT ASSETS			<u>47,243</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>60,159</u>
CAPITAL AND RESERVES			
Called up share capital	9		55,556
Share premium account	10		14,444
Profit and loss account	10		(9,841)
SHAREHOLDERS' FUNDS	11		<u>60,159</u>

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

D Westlake
 Director



Date

28/3/2011

The notes on pages 9 to 12 form part of these financial statements

CROWDCUBE PLC**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

	Note	2010 £
Net cash flow from operating activities	12	(46,434)
Capital expenditure and financial investment	13	(16,229)
		<hr/>
CASH OUTFLOW BEFORE FINANCING		(62,663)
Financing	13	70,000
		<hr/>
INCREASE IN CASH IN THE PERIOD		7,337

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

	2010 £
Increase in cash in the period	7,337
	<hr/>
MOVEMENT IN NET DEBT IN THE PERIOD	7,337
	<hr/>
NET FUNDS AT 30 SEPTEMBER 2010	7,337

The notes on pages 9 to 12 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

1 ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Office equipment	-	25% straight line
Other fixed assets	-	20% straight line

2 TURNOVER

An analysis of turnover by class of business is as follows

	2010 £
Re-sale of goods	1,126
Provision of IT consultancy services	1,090
	<u>2,216</u>

A geographical analysis of turnover is as follows

	2010 £
United Kingdom	1,090
Rest of European Union	1,126
	<u>2,216</u>

3. LOSS

The loss is stated after charging

	2010 £
Depreciation of tangible fixed assets - owned by the company	<u>3,313</u>

CROWDCUBE PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010****4 AUDITORS' REMUNERATION**

	2010 £
Fees payable to the company's auditor for the audit of the company's annual accounts	1,750
Fees payable to the company's auditor and its associates in respect of Other services supplied pursuant to such legislation	3,000
	<u>4,750</u>

5. STAFF COSTS

The company has no employees other than the directors, who did not receive any remuneration

6. TANGIBLE FIXED ASSETS

	Office equipment £	Other fixed assets £	Total £
COST			
At 10 September 2009	-	-	-
Additions	1,348	14,881	16,229
At 30 September 2010	<u>1,348</u>	<u>14,881</u>	<u>16,229</u>
DEPRECIATION			
At 10 September 2009	-	-	-
Charge for the period	337	2,976	3,313
At 30 September 2010	<u>337</u>	<u>2,976</u>	<u>3,313</u>
NET BOOK VALUE			
At 30 September 2010	<u>1,011</u>	<u>11,905</u>	<u>12,916</u>

7 DEBTORS

	2010 £
Trade debtors	2,215
Other debtors	43,541
	<u>45,756</u>

CROWDCUBE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

**8 CREDITORS
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £
Other creditors	1,100
Accruals and deferred income	4,750
	<u>5,850</u>

9. SHARE CAPITAL

	2010 £
ALLOTTED, CALLED UP AND FULLY PAID	
55,556 Ordinary shares of £1 each	<u>55,556</u>

At incorporation 50,000 shares were issued at par

During the period, 5,556 share were issued with a premium of £14,444

All shares have equal voting rights

10 RESERVES

	Share premium account £	Profit and loss account £
At 10 September 2009	14,444	
Loss for the period		(9,841)
	<u>14,444</u>	<u>(9,841)</u>
At 30 September 2010		

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £
Opening shareholders' funds	-
Loss for the period	(9,841)
Shares issued during the period	55,556
Share premium on shares issued (net of expenses)	14,444
	<u>60,159</u>
Closing shareholders' funds	

CROWDCUBE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

12. NET CASH FLOW FROM OPERATING ACTIVITIES

	2010 £
Operating loss	(9,841)
Depreciation of tangible fixed assets	3,313
Increase in debtors	(45,757)
Increase in creditors	5,851
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(46,434)

13. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2010 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	
Purchase of tangible fixed assets	(16,229)

	2010 £
FINANCING	
Issue of ordinary shares	70,000

14. ANALYSIS OF CHANGES IN NET DEBT

	10 September 2009 £	Cash flow £	Other non-cash changes £	30 September 2010 £
Cash at bank and in hand	-	7,337	-	7,337
NET FUNDS	-	7,337	-	7,337

15. DIRECTORS' BENEFITS ADVANCES, CREDIT AND GUARANTEES

At the period end, D Westlake owed the company £41,888 in connection with unpaid share capital. This amount is shown in other debtors.

At the period end, L Lang was owed £1,100 by the company in connection with expenses paid on behalf of the company. This amount is shown in other creditors.

16. POST BALANCE SHEET EVENTS

Since the period end, the company has formed a subsidiary undertaking called Crowdcube Ventures Limited who commenced trading on 8 March 2011 through www.crowdcube.com.