Company Registration No. 07551524 (England and Wales)

GREENLIGHT CREDIT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2019

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GREENLIGHT CREDIT LIMITED

COMPANY INFORMATION

Directors	J Clark P Rickenberg
Company number	07551524
Registered office	Airport House Suite 43-45 Purley Way Croydon Surrey CR0 0XZ
Auditor	Berg Kaprow Lewis LLP Chartered Accountants & Statutory Auditors 35 Ballards Lane London N3 1XW
Business address	Hersham Place Technology Park Molesey Road Walton On Thames KT12 4RZ

GREENLIGHT CREDIT LIMITED

CONTENTS

The principal activity of the company continued to be that of granting secured consumer loans using vehicle as collateral.

Greenlight Credit Ltd t/a Varooma (GLC) is a consumer finance company incorporated with the main objective to build a fair, responsible and ethical lender serving creditworthy non-prime customers who do not fit standard credit scoring underwriting models.

By using the strong security of the vehicle and bespoke IT, the Company maintains acceptable credit quality whilst offering competitive rates and delivering a high quality, efficient service.

The business and our loan book have grown year on year and GLC now enjoys majority market share within our sector.

Business Review

The business performed very well throughout the financial year increasing turnover by 18.92% and once again achieving year on year growth.

GLC's objective is to remain a key leading lender within our sector, increasing lending volumes, whilst maintaining and constantly improving our systems, compliance, training and customer service.
GLC will continue to lend responsibly and profitably and to return maximum value to our shareholders.

Throughout 2019 the board have been exploring options to diversify our lending platform to accommodate other forms of consumer credit. Strategic planning is on-going but the board believe there is significant growth to be achieved in some of the sectors identified which are exceptionally larger than our current space.

Principal risk & uncertainties
GLC operates under the regulatory supervision of the Financial Conduct Authority (FCA).

Principal risks to the business are Regulatory, increased bad debt due to the current economic climate and the Covid-19 Pandemic.

GLC post year end has dealt with these risks through enhanced stringent lending criteria and policies, excellent customer service and sensitive forbearance for all those effected.
The Company dealt with Lockdowns and FCA guidance very well throughout 2020 putting all of our business continuity plans into force with remote working allowing uninterrupted service to our loyal customer base.

Whilst the pandemic has been challenging and there is still uncertainty on the horizon, we also look at this as an opportunity to thrive once restrictions and lockdowns have passed and normality resumes.

The effect of the UK leaving the European Union (Brexit) is not expected to impact the business and the company believes it will continue to thrive irrespective of what deal is struck.

Key Performance indicators
At the core of the business is our gross loan book which generates the business turnover. Our turnover, gross profit margins and our customer base are our main key performance indicators.

Monthly management accounts are produced to ensure overheads are monitored closely and to ensure consistency and to assist with any budgeting requirements.

Compliance audits are carried out monthly to help monitor staff performance and to verify quality control in line with our company's policies and procedures.

Financial Year Ending 30th November	FY19	FY18
	Actual	Actual
Turnover	£16,509,797	£11,481,803
Gross Profit Margin	32.30%	53.26%
Customer base number	8636	8022

On behalf of the board

PJ Rickenberg

P Rickenberg
Director
30 November 2020

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2019

The directors present their annual report and financial statements for the year ended 30 November 2019.

Principal activities
The principal activity of the company continued to be that of granting secured consumer loans using vehicle as collateral.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J Clark
P Rickenberg

Auditor
Berg Kaprow Lewis LLP were appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

PJ Rickenberg

P Rickenberg
Director

30 November 2020

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2019

The directors are responsible for preparing the annual 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

INDEPENDENT AUDITOR'S REPORT TO GREENLIGHT CREDIT LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Opinion
We have audited the financial statements of Greenlight Credit Limited ("the Company") for the year ended 30 November 2019 which comprise the Statement of Income and Retained Earnings, Statement of Financial Position and notes to the financial statements, 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, including Financial Reporting Standard 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 state of the Company's affairs as at 30 November 2019 and of its profit 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. We are independent of the 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 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 Directors are responsible for the other information. The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO GREENLIGHT CREDIT LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's 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 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.; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors
As explained more fully in the Directors' responsibilities statement, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO GREENLIGHT CREDIT LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO GREENLIGHT CREDIT LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

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.

Berg Kaprow Lewis LLP

Michael Wedge FCA (Senior Statutory Auditor)
for and on behalf of Berg Kaprow Lewis LLP

30 November 2020

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

GREENLIGHT CREDIT LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 30 NOVEMBER 2019

	Notes	2019 £	2018 £
Revenue	3	16,509,797	11,481,803
Cost of sales		(11,177,813)	(5,366,965)
Gross profit		5,331,984	6,114,838
Administrative expenses		(3,360,411)	(3,816,631)
Operating profit	6	1,971,573	2,298,207
Finance costs	7	(1,608,177)	(1,407,946)
Profit on ordinary activities before taxation		363,396	890,261
Taxation	8	46,006	(79,364)
Profit for the financial period		409,402	810,897
Retained earnings at 1 December 2018		2,923,449	2,112,552
Retained earnings at 30 November 2019		3,332,851	2,923,449

The income statement has been prepared on the basis that all operations are continuing operations.

There have been no recognised gains or losses in the year other than those included in the statement of income and retained earnings.

The notes on pages 12 to 21 form an integral part of the financial statements.

GREENLIGHT CREDIT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Non-current assets					
Intangible assets	9		11,170		1,408
Tangible fixed assets	10		13,718		-
Debtors	11		5,998,582		4,309,791
			6,023,470		4,311,199
Current assets					
Debtors	11	11,393,330		12,401,371	
Cash and cash equivalents		423,232		179,878	
		11,816,562		12,581,249	
Current liabilities	12	(9,369,576)		(684,599)	
Net current assets			2,446,986		11,896,650
Total assets less current liabilities			8,470,456		16,207,849
Non-current liabilities	14		(4,675,000)		(12,824,401)
Deferred tax	13		(2,606)		-
Net assets			3,792,850		3,383,448
Equity					
Called up share capital	15		14,284		14,284
Share premium account			445,715		445,715
Retained earnings			3,332,851		2,923,449
Total equity			3,792,850		3,383,448

The financial statements were approved by the board of directors and authorised for issue on 30 November 2020 and are signed on its behalf by:

J Clark
Director

Company Registration No. 07551524

GREENLIGHT CREDIT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations			1,228,761		(2,384,042)
Interest paid			(1,608,177)		(1,407,946)
Income taxes paid			(77,060)		(205,371)
Net cash outflow from operating activities			(456,476)		(3,997,359)
Investing activities					
Purchase of intangible assets		(12,000)		-	
Purchase of property, plant and equipment		(16,670)		-	
Proceeds from other investments and loans		(41,500)		152,013	
Net cash (used in)/generated from investing activities			(70,170)		152,013
Financing activities					
Repayment of debentures		8,919,401		-	
Increase in borrowings		(8,149,401)		3,746,000	
Net cash generated from financing activities			770,000		3,746,000
Net increase/(decrease) in cash and cash equivalents			243,354		(99,346)
Cash and cash equivalents at beginning of year			179,878		279,224
Cash and cash equivalents at end of year			423,232		179,878

1 Accounting policies

Company information

The company is a private company limited by shares incorporated in England and Wales. The registered office is Airport House, Suite 43-45, Purley Way, Croydon, Surrey, CR0 0XZ.

1.1 Basis of Preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Since the year end, the Coronavirus (COVID-19) has emerged globally resulting in a significant impact on businesses worldwide. As a result some business operations have been restricted, however the company continues to operate using alternative methods and remote working. The directors have amended their forecast, to adjust to the economic uncertainty. The directors are continuing to monitor, assess and act to the current changing environment in order to position the company to ensure its future success.

1.3 Revenue

The company lends money on a secured basis. Revenue represents interest receivable and supplementary charges receivable on loan balances due from customers in the year.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1.4 Intangible fixed assets

Intangible assets comprise initial identifiable development expenditure in relation to the loan software. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

1 Accounting policies **(Continued)**

Amortisation 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:

Patents	no amortisation
Software Development Costs	written off over 5 years (20% straight line)
Website Costs	written off over 5 years (20% straight line)

Patents costs are not amortised as their residual value is expected to be consistent with the initial cost.

1.5 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:

Plant & Machinery	33% Straight line
Furniture & fittings	25% on reducing balance

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

1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies **(Continued)**

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 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 non-current 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.

1.10 Retirement benefits

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

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Trade debtors are assessed for impairment at each balance sheet date both individually and collectively. A collective portfolio impairment provision is made on the interest outstanding and is calculated based on a percentage that is derived from historic loss experience of the portfolio.

No provision is made for the capital element of these loans as the security held assumes the remaining principle is protected and fully recoverable.

3 Revenue

All the turnover for the company during the year arose in the United Kingdom.

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 20 (2018 - 19).

5 Directors' remuneration

	2019	2018
	£	£
Remuneration for qualifying services	220,181	218,833
Company pension contributions to defined contribution schemes	5,864	3,641
	226,045	222,474

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2018 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019	2018
	£	£
Remuneration for qualifying services	120,181	118,833

6 Operating profit

Operating profit for the year is stated after charging/(crediting):	2019 £	2018 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	30,450	55,024
Depreciation of owned property, plant and equipment	2,952	-
Amortisation of intangible assets	2,238	9,256

7 Finance costs

	2019 £	2018 £
Other interest on financial liabilities	1,608,177	1,407,946

8 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	-	149,678
Adjustments in respect of prior periods	(48,612)	(70,314)
Total current tax	(48,612)	79,364
Deferred tax		
Origination and reversal of timing differences	2,606	-
Total tax (credit)/charge	(46,006)	79,364

8 Taxation **(Continued)**

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	363,396	890,261
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	69,045	169,150
Tax effect of expenses that are not deductible in determining taxable profit	4,004	4,992
Tax effect of income not taxable in determining taxable profit	-	(24,464)
Adjustments in respect of prior years	-	(70,314)
Permanent capital allowances in excess of depreciation	(4,461)	-
Deferred tax	2,606	-
bad debt provision	(117,200)	-
Taxation (credit)/charge for the year	(46,006)	79,364

9 Intangible fixed assets

	Patents	Software Development Costs	Website Costs	Total
	£	£	£	£
Cost				
At 1 December 2018	170	124,800	-	124,970
Additions	-	-	12,000	12,000
At 30 November 2019	170	124,800	12,000	136,970
Amortisation and impairment				
At 1 December 2018	-	123,562	-	123,562
Amortisation charged for the year	-	1,238	1,000	2,238
At 30 November 2019	-	124,800	1,000	125,800
Carrying amount				
At 30 November 2019	170	-	11,000	11,170
At 30 November 2018	170	1,238	-	1,408

10 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 December 2018	1,890	-	1,890
Additions	-	16,670	16,670
At 30 November 2019	1,890	16,670	18,560
Depreciation and impairment			
At 1 December 2018	1,890	-	1,890
Depreciation charged in the year	-	2,952	2,952
At 30 November 2019	1,890	2,952	4,842
Carrying amount			
At 30 November 2019	-	13,718	13,718
At 30 November 2018	-	-	-

11 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Trade receivables	10,104,027	11,146,628
Corporation tax recoverable	94,651	102,169
Other receivables	1,183,756	1,141,975
Prepayments and accrued income	10,896	10,599
	11,393,330	12,401,371

	2019	2018
Amounts falling due after more than one year:	£	£
Trade receivables	5,998,582	4,309,791
Total debtors	17,391,912	16,711,162

The carrying value of trade and other receivables approximate to the fair value.

As of the 30 November 2019, trade receivables totalled £16,102,609 (2018 - £15,546,419). This is after the provision for impairment of trade receivables of £5,139,570 (2018 - £616,843).

12 Current liabilities

	2019	2018
	£	£
Loans and debentures	8,919,401	-
Trade payables	160,427	299,284
Corporation tax	24,688	157,878
Other taxation and social security	106,856	115,182
Other payables	38,946	3,235
Accruals and deferred income	119,258	109,020
	9,369,576	684,599

Subsequent to the year end, £8,919,401 was re-negotiated over a 3 year period and is secured over the assets of the company.

The total secured balance as at the reporting date is £8,919,401 (2018 - Nil) and is secured over the assets of the company.

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

13 Deferred tax

	Notes	2019	2018
		£	£
Timing differences on fixed assets		2,606	-

14 Non-current liabilities

	2019	2018
	£	£
Loans and debentures	4,675,000	12,824,401

The total secured balance as at the reporting date is £4,675,000 (2018 - £12,824,401) and is secured over the assets of the company.

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

15 Share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
14,284 Ordinary shares of £1 each	14,284	14,284

16 Events after the reporting date

Since the year end, the Coronavirus (COVID-19) has emerged globally resulting in a significant impact on businesses worldwide. As a result some business operations have been restricted, however the company continues to operate using alternative methods and remote working. The directors have amended their forecast, to adjust to the economic uncertainty. The directors are continuing to monitor, assess and act to the current changing environment in order to position the company to ensure its future success.

17 Operating lease commitments

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

	2019	2018
	£	£
Within one year	85,142	49,051
Between two and five years	6,596	-
	91,738	49,051

18 Related party transactions

At the balance sheet date included in long term liabilities are amounts owed to a shareholder of a company with common directors amounting to £8,919,401 (2018 - £8,549,401) and accrued interest at 12% owing of £56,105 (2018 - £10,205).

At the balance sheet date included in other debtors is an amount due from a company with common directors amounting to £1,000,000 (2018 - £1,000,000).

A company in which a director holds shares provided services to Greenlight Credit Limited of £699,818 (2018 - £463,855) in the year. At the balance sheet date included in trade creditors are amounts due to this company of £49,330 (2018 - £64,383).

At the balance sheet date included in other receivables are amounts due from a director of £77,052 (2018 - £35,552). No interest is charged on the outstanding amounts and the loan is repayable on demand.

At the balance sheet date included in other receivables are amounts due from current shareholders and employees of the company amounting to £92,351 (2018 - £92,351). No interest is charged on the outstanding amounts and the loans are repayable on demand.