

Company Registration No. 08315922 (England and Wales)

**PROPLEND LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2021**  
**PAGES FOR FILING WITH REGISTRAR**

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**PROPLEND LTD****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	3		4,889		2,625
Investments	4		2		2
			<u>4,891</u>		<u>2,627</u>
<b>Current assets</b>					
Debtors	5	49,774		23,588	
Cash at bank and in hand		638,057		565,391	
		<u>687,831</u>		<u>588,979</u>	
<b>Creditors: amounts falling due within one year</b>	6	(126,066)		(83,556)	
<b>Net current assets</b>			<u>561,765</u>		<u>505,423</u>
<b>Total assets less current liabilities</b>			<u>566,656</u>		<u>508,050</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(548,548)		(512,259)
<b>Net assets/(liabilities)</b>			<u>18,108</u>		<u>(4,209)</u>
<b>Capital and reserves</b>					
Called up share capital	9		172		172
Share premium account			3,534,947		3,534,947
Other reserves			22,465		-
Profit and loss reserves			(3,539,476)		(3,539,328)
<b>Total equity</b>			<u>18,108</u>		<u>(4,209)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

**PROPLEND LTD**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 DECEMBER 2021**

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The financial statements were approved by the board of directors and authorised for issue on 12/07/22  
and are signed on its behalf by:



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B A Bartaby  
Director

# PROPLEND LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £	Share premium account £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2020</b>		172	3,534,947	-	(3,346,084)	189,035
<b>Year ended 31 December 2020:</b>						
Loss and total comprehensive income for the year		-	-	-	(193,244)	(193,244)
<b>Balance at 31 December 2020</b>		172	3,534,947	-	(3,539,328)	(4,209)
<b>Year ended 31 December 2021:</b>						
Loss and total comprehensive income for the year		-	-	-	(148)	(148)
Issue of share capital	9	-	3,386	-	-	3,386
Share based payment		-	-	22,465	-	22,465
Additional transaction costs		-	(3,386)	-	-	(3,386)
<b>Balance at 31 December 2021</b>		172	3,534,947	22,465	(3,539,476)	18,108

# PROPLEND LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

Proplend Limited is a private company limited by shares incorporated in England & Wales. The registered office is 20-22 Wenlock Road, London, N1 7GU.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

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

#### Going concern

The company is dependent upon continued finance being available from shareholders. They have confirmed that sufficient funds will continue to be made available and agreed that no withdrawal will be taken from the business to allow the company to meet its liabilities as they fall due. For these reasons the shareholders consider it appropriate to prepare the financial statements on a going concern basis.

In coming to this conclusion, the directors have considered the current economic environment and the company's position in the market and its ability to grow the business. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and meet liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

*When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.*

#### 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:

Office furniture and equipment	25% straight line
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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.

# PROPLEND LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies (Continued)

##### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments 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.

##### **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 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 and liabilities 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 financial instrument is measured at the present value of the future receipts or payments discounted at a market rate of interest.

##### **Compound instruments**

Convertible loans are initially recognised at cost and subsequently held at fair value. The movement in the fair value is recognised in the profit and loss.

# PROPLEND LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies (Continued)

#### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

#### **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.

#### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

#### **Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

#### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

# PROPLEND LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies (Continued)

##### 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.

Government grants relating to turnover are recognised as income to match the related costs as they are incurred.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	11	10

#### 3 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2021	26,910
Additions	3,608
At 31 December 2021	30,518
<b>Depreciation and impairment</b>	
At 1 January 2021	24,285
Depreciation charged in the year	1,344
At 31 December 2021	25,629
<b>Carrying amount</b>	
At 31 December 2021	4,889
At 31 December 2020	2,625

#### 4 Fixed asset investments

	2021 £	2020 £
Other investments other than loans	2	2



# PROPLEND LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 January 2021 & 31 December 2021	2
<b>Carrying amount</b>	
At 31 December 2021	2
At 31 December 2020	2

### 5 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	6,475	259
Corporation tax recoverable	43,299	23,329
	<u>49,774</u>	<u>23,588</u>

### 6 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	30,895	30,006
Amounts owed to group undertakings	2	2
Taxation and social security	25,571	26,317
Other creditors	69,598	27,231
	<u>126,066</u>	<u>83,556</u>

Included in other creditors is a current portion of £6,000 (2020: £6,000) of the bounce back loan. The loan is unsecured, repayable in one year and attracts interest at 2.5% per annum.

# PROPLEND LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Convertible loans		527,549	485,260
Other creditors		20,999	26,999
		<u>548,548</u>	<u>512,259</u>

The convertible loan of £455,990 was issued on 13 July 2020. The loan can be redeemed with a redemption premium of 100% of the principal amount of the loan or converted into ordinary shares on the conversion date. The conversion date is the earliest of qualified financing, non-qualified financing, exit or maturity.

Interest will accrue at 8% until the convertible loan note is redeemed or converted. During the year, an interest expense of £36,479 (2020: £17,190) was recognised in the income statement.

The liability is measured at fair value, which was derived from a valuation carried out by the director using a discount rate of 25% per annum.

The other creditor amount is a business bounce back loan that is unsecured, repayable in five years and attracts interest at 2.5% per annum.

Creditors which fall due after five years are as follows:	2021 £	2020 £
Payable by instalments	-	3,000
	<u>-</u>	<u>3,000</u>

### 8 Financial instruments

	2021 £	2020 £
<b>Carrying amount of financial liabilities</b>		
Measured at fair value through profit or loss		
- Other financial liabilities	527,549	485,260
	<u>527,549</u>	<u>485,260</u>

### 9 Called up share capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,711,527 Ordinary shares of £0.0001 each	172	172
	<u>172</u>	<u>172</u>

During the year, the company issued 433 (2020: nil) shares with a nominal value of £0.0001 (2020: £nil).

Each ordinary share entitles the holder to one equal vote and the rights to dividends so long as there are no rights attached to shares on winding-up or redemption rights.

# PROPLEND LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 10 Reserves

#### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

#### Share premium reserve

Consideration received for shares issued above their nominal value net of transaction costs.

#### Other reserves

Other reserves is made up of the share based payment reserve.

### 11 Operating lease commitments

#### Lessee

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:

	2021 £	2020 £
Within one year	10,000	10,000