

**George Banco.Com Limited**  
**Annual Report and Financial Statements**  
**for the year ended 31 December 2017**  
**Registration Number: 08804623**

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# **George Banco.Com Limited**

## **Contents**

Company Information	1
Strategic Report	2
Directors' Report	4
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7
Profit and Loss Account	10
Balance Sheet	11
Statement of changes in equity	12
Cashflow statement	13
Notes to the Financial Statements	14

# **George Banco.Com Limited**

## **Company Information**

**Directors**                    Mr Marc Howells  
                                      Mr Miles Cresswell-Turner  
                                      Mr Steven White

**Company Secretary**    Mr Jonathan Hole

**Registered Office**        The Blue Building  
                                     Dairy House Farm  
                                     Stubbs Lane  
                                     Beckington  
                                     Frome, Somerset  
                                     BA11 6TE

**Auditors**                    Deloitte LLP  
                                     Hill House  
                                     1 Little New Street  
                                     London  
                                     EC4A 3TR

## George Banco.Com Limited

### Strategic Report

Year Ended 31 December 2017

#### Business review

2017 was a significant year for the development of the company. On 17<sup>th</sup> August 2017 its parent company George Banco Ltd was acquired by Everyday Loans Ltd a subsidiary of Non-Standard Finance PLC. The company's previous funder was repaid in full and funding is now provided via NSF Finco Ltd. Consequently, the company now has secured funding in place for the foreseeable future which will allow for accelerated growth in the loan book. Despite a reduction in lending during the due diligence process, the net loan book grew by 41% in the year to £35m and revenue increased by 47% to £11.5m. Delinquency rates remained stable compared with the prior year demonstrating that the quality of loans written was maintained. The business model continues to evolve with the addition of a £10,000 guarantor loan product.

The company received full permissions from the FCA on 28<sup>th</sup> September 2017.

#### Key performance indicators

The company continues to see growth in its loan book and consequently its profitability is increasing.

The key financial performance indicators for the company are detailed below:

	2017	2016	Change %
Turnover	£11,543,716	£7,871,982	47%
Profit before tax	£423,455	£155,505	272%
Loan book	£35,366,364	£25,089,094	41%
Net liabilities	£1,952,749	£2,758,652	29%
Impairment/loan book	5.6%	5.5%	0.1%

## **George Banco.Com Limited**

### **Strategic Report continued**

**Year Ended 31 December 2017**

#### **Principal risks and uncertainties**

The company regards the monitoring and controlling of risks as a fundamental part of the management process. Consequently, senior management are involved in the development of risk management policies and in monitoring their application. The principal risks inherent in the company's business are credit, market, liquidity, operational and conduct risks.

Credit risk is the risk that a counterparty will be unable to pay amounts in full, when due. This risk is managed through the company's internal controls and its credit risk policies.

Market risks arise from movements in interest rates, which are exposed to general and specific market movements.

Liquidity risk is the risk that the company cannot meet its liabilities as they fall due. The company takes a conservative approach to managing its liquidity profile and can draw down funds from NSF Finco Limited as required.

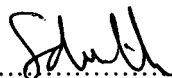
Operational risk is the risk that the company may be exposed to financial losses from failures of its systems and processes. The company maintains clear compliance guidelines and provides on-going training to all staff.

Conduct risk reflects the potential for customers (and the business) to suffer financial loss or other detriment through the actions and decisions made by the business and its staff. The Company takes a principles-based approach to manage this risk.

#### **Future developments**

The directors expect the general level of activity to increase in the forthcoming year. This is a result of the continued loan book growth which is no longer constrained by the funding limitations experienced previously. Further the guarantor loan market is expected to grow, providing the Company with the opportunity to grow the loan book faster. The revenues from customer loans are expected to continue to outgrow servicing costs which will enable the Company to become increasingly profitable at an operating level.

Approved by the board on 28/01/18 and signed on its behalf by:



Mr Steven White  
Director

## **George Banco.Com Limited**

### **Directors' Report**

#### **Year Ended 31 December 2017**

The directors present their report and the financial statements for the year ended 31 December 2017.

#### **Principal activities and business**

The principal activity of the company is the provision of guarantor loans of up to £10,000 over 1 to 5 years.

#### **Results for the year**

The profit for the year of £805,903 (2016: £155,055) has been transferred to reserves. The directors do not recommend the payment of a final dividend for the year (2016: £nil).

#### **Directors of the Company**

The Directors who held office during the year were as follows:

Mr Marc Howells

Mr Jeremy Thomas (Resigned 17 August 2017)

Mr Miles Cresswell-Turner (Appointed 17 August 2017)

Mr Steven White (Appointed 17 August 2017)

#### **Principal Activity**

The principal activity of the company is arranging, administering and providing guarantor loan finance to individuals.

#### **Political donations**

No political donations were made by the Company during the year (2016: £nil).

#### **Going concern**

It should be noted that due to the forecast level of loan book growth the Company is reliant on group funding. The ultimate parent company Non-Standard Finance PLC has adequate committed funding in place to cover the lending requirements of George Banco.Com for the foreseeable future.

George Banco.Com Limited obtained full permissions from the FCA during the year.

Based on the above and after making appropriate enquiries which assessed strategy, profitability, funding availability and capital resources, the directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future. The financial statements are therefore prepared on the going concern basis.

## George Banco.Com Limited

Directors' Report continued  
Year Ended 31 December 2017

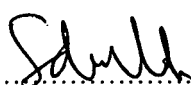
### Disclosure of information to the auditors

Each director has taken all the steps that he/she ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Following the acquisition of the parent company George Banco Limited on 17 August 2017 by Everyday Loans Limited Deloitte LLP was appointed as auditor.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the board on 25/6/18 and signed on its behalf by:

.....

Mr Steven White  
Director

## **George Banco.Com Limited**

### **Statement of Directors' Responsibilities**

The Directors acknowledge their responsibilities 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), including FRS 102. 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 apply them consistently;
- make judgements and accounting 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; and
- 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 to the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **George Banco.Com Limited**

## **Independent auditor's report to the members of George Banco.Com Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of George Banco.Com Limited (the 'company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 15.

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).

#### **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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

# **George Banco.Com Limited**

## **Independent auditor's report to the members of George Banco.Com Limited continued**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual 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 respect of these matters.

### **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.

### **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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **George Banco.Com Limited**

### **Independent auditor's report to the members of George Banco.Com Limited continued**

#### **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.

#### **Report on other legal and regulatory requirements**

#### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

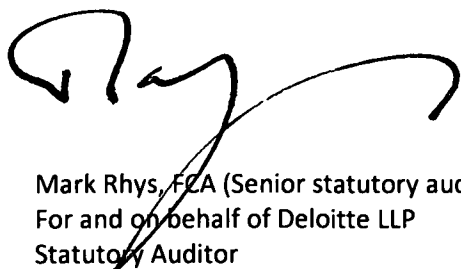
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



Mark Rhys, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

29 June 2018

## George Banco.Com Limited

### Profit & Loss Account

For the year ended 31 December 2017

		2017	2016
	Note	£	£
Turnover	4	11,543,716	7,871,982
Interest payable		(3,243,730)	(2,299,326)
Non loan specific broker fees		(189,836)	(235,873)
Gross Profit		8,110,150	5,336,783
Administrative Expenses		(7,687,372)	(5,181,554)
Operating profit		422,778	155,229
Other interest receivable and similar income		677	276
Profit before tax		423,455	155,505
Taxation	7	382,448	-
Profit for the financial year		805,903	155,505

The Company has no recognised gains and losses other than those included in the results above.

The Company's results above are from continuing operations.

The notes on pages 14 to 22 form an integral part of these financial statements.

# George Banco.Com Limited

## Balance Sheet

As at 31 December 2017

		2017	2016
	Note	£	£
<b>Current Assets</b>			
Debtors	8	35,748,997	25,089,094
Cash at bank and in hand		520,695	1,697,557
		<u>36,269,692</u>	<u>26,786,651</u>
<b>Creditors: Amounts falling due within one year</b>	9	(3,240,108)	(7,220,521)
<b>Total assets less current liabilities</b>		<u>33,029,584</u>	<u>19,566,130</u>
<b>Creditors: Amounts falling due after more than one year</b>	9	(34,982,333)	(22,324,782)
<b>Net liabilities</b>		<u>(1,952,749)</u>	<u>(2,758,652)</u>
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Profit and loss account		(1,952,750)	(2,758,653)
<b>Total equity</b>		<u>(1,952,749)</u>	<u>(2,758,652)</u>

Approved and authorised by the Board on 20/01/18 and signed on its behalf by:

.....

Mr Steven White  
Director

Company Registration Number: 08804623

The notes on pages 14 to 22 form an integral part of these financial statements.

## George Banco.Com Limited

### Statement of changes in equity

	Share capital	Retained earnings	Total
<b>Deficit at 1 January 2016</b>	<b>1</b>	<b>(2,914,158)</b>	<b>(2,914,157)</b>
<b>Total comprehensive income for the period</b>			
Profit for the year ended 31 December 2016	-	155,505	155,505
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>155,505</b>	<b>155,505</b>
<b>Deficit at 31 December 2016</b>	<b>1</b>	<b>(2,758,653)</b>	<b>(2,758,652)</b>
<b>Total comprehensive income for the period</b>			
Profit for the year ended 31 December 2017	-	805,903	805,903
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>805,903</b>	<b>805,903</b>
<b>Deficit at 31 December 2017</b>	<b>1</b>	<b>(1,952,750)</b>	<b>(1,952,749)</b>

The notes on pages 14 to 22 form an integral part of these financial statements.

## George Banco.Com Limited

### Cash flow statement

For the year ended 31 December 2017

	Year ended 31 December 2017	Year ended 31 December 2016
<b>Cash flows from operating activities</b>		
Profit for the year	805,903	155,505
Adjustments for:		
Income tax expense	(382,448)	-
Cash flows from operating profits before changes in working capital	423,455	155,055
Changes in operating assets and liabilities:		
Net increase in loans and advances to customers	(10,277,270)	(12,088,467)
Net increase in other liabilities	1,224,591	131,037
<b>Net cash outflow from operating activities</b>	<b>(8,629,224)</b>	<b>(11,801,925)</b>
<b>Cash flows from financing activities</b>		
(Repayments)/Increase of borrowings	(27,529,971)	12,385,095
New intercompany loan	34,982,333	-
<b>Net cash flows from financing activities</b>	<b>7,452,362</b>	<b>12,385,095</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,176,862)</b>	<b>583,170</b>
Cash and cash equivalents at 1 January	1,697,557	1,114,387
<b>Cash and cash equivalents at 31 December</b>	<b>520,695</b>	<b>1,697,557</b>

The notes on pages 14 to 22 form an integral part of these financial statements.

# **George Banco.Com Limited**

## **Notes to the Financial Statements**

**For the year ended 31 December 2017**

### **1 General Information**

George Banco.Com Ltd (the “Company”) is a private company limited by its share capital incorporated in England and Wales.

The principal activity of the company is the provision of guarantor loans of up to £10,000 over 1 to 5 years.

The address of its registered office is:

The Blue Building  
Dairy House Farm  
Stubbs Lane  
Beckington  
Frome, Somerset  
BA11 6TE

### **2 Accounting Policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statement are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

The financial statements are presented in Sterling (£).

#### **Amortisation of broker fees**

Where broker commissions are directly attributable to an individual loan they are amortised over the life of the loan by inclusion in the calculation of the effective interest rate of the loan.

## **George Banco.Com Limited**

### **Notes to the Financial Statements**

**For the year ended 31 December 2017**

#### **Going concern**

Notwithstanding the net liabilities of £1,952,749 (2016: £2,758,652) the directors, having made all the necessary enquiries, have continued to adopt the going concern basis of preparation for the following reasons:

- The directors are satisfied that the losses recorded in 2014 and 2015 which created the net liabilities position were in line with their appropriate accounting practices, funding available, and plans for the business, and were anticipated in the start-up phase of the business.
- The directors are satisfied with the profit for the years ended 31 December 2016 and 2017 and have reviewed, and are satisfied with, the financial performance of the company in the period up to the approval of these financial statements and are satisfied with both the profitable trading to date and the forecasted performance and position.
- George Banco.Com Limited obtained full permissions from the FCA during the year.
- On 17<sup>th</sup> August 2017 the parent company George Banco Ltd was purchased by Everyday Loans Limited, a company whose ultimate parent company is Non-Standard Finance PLC. Non-Standard Finance PLC has adequate committed funding in place to cover the lending requirements of George Banco.Com for the foreseeable future.

#### **Revenue recognition**

Revenue is derived from interest received on loans provided to customers.

Interest is calculated, using an effective rate of interest to take into account all transaction costs of obtaining the loan and fees charges to customers, on a monthly basis and accrued daily. As such, turnover is presented net of amortised broker commission.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company takes into account all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Fees and commissions which are not considered integral to the effective interest rate are generally recognised on a cash basis. These consist principally of arrears fees.

## **George Banco.Com Limited**

### **Notes to the Financial Statements**

**For the year ended 31 December 2017**

#### **Tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred tax is not provided on the timing differences rising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rate expected to be effective at the time the timing differences are expected to reverse. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Financial instruments**

##### **Classification**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

## **George Banco.Com Limited**

### **Notes to the Financial Statements**

**For the year ended 31 December 2017**

#### **Recognition and measurement**

##### **Short and long term other debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment ("doubtful debts") are recognised in the profit and loss account before operating profit. Details on the carrying value of other debtors and creditors can be found within notes 8 and 9 respectively.

Where interest rates are quoted and the loans provided to customers can be classified as basic financial instruments they are initially recorded at transaction price, including all relevant fees, and subsequently measured at amortised cost using the effective interest method.

##### **Bank loans and borrowing**

Loans which meet the criteria under FRS 102 to be classified as 'basic financial instruments' are initially recorded at transaction price and subsequently measured at amortised cost using the effective interest method. Details on the carrying value of bank loans and overdrafts can be found within note 9.

### **3 Critical accounting judgements and key sources of estimation uncertainty**

In application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The items in the financial statements where these judgements and estimates have been made include:

#### **Credit Impairment**

The loan book included in the Balance Sheet refers to the total outstanding customer loans less a provision for impairment. The provision for impairment represents an accounting estimate of the portion of the loan accounts for which the Company will not ultimately be able to collect payment. The estimate is based on the number of payments an account is in arrears. This determines a percentage amount to provide which is applied to the carrying amount of the loan.

The judgement of the percentage provision required to be applied to each arrears bucket has been made based on an analysis of the historical performance of such accounts.

**George Banco.Com Limited**  
**Notes to the Financial Statements**  
For the year ended 31 December 2017

**4 Analysis of turnover**

Turnover represents interest receivable on loans to customers net of amortised broker fees. The whole of the turnover is attributable to the principal activity of the Company, therefore there is only one business segment. The turnover arises wholly in the UK.

**5 Interest payable**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank interest payable	1,967,329	2,299,326
Interest payable on loans from group undertakings (see note 10)	1,276,401	-
	<u>3,243,730</u>	<u>2,299,326</u>

**6 Profit before taxation**

Profit before taxation is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Audit fees payable to the Company's auditor	60,000	5,750
	<u>60,000</u>	<u>5,750</u>

The audit fee is paid by George Banco Limited and included within the management charge it levies on the Company

## George Banco.Com Limited

### Notes to the Financial Statements

For the year ended 31 December 2017

#### 7 Tax on profit

	2017	2016
<b>Current tax on profit</b>		
Corporation tax charge - current year	130	-
Adjustments in respect of prior periods	55	-
<b>Total current tax</b>	<b>185</b>	<b>-</b>
<b>Deferred tax</b>		
Deferred tax charge - current year	(433,199)	-
Effects of changes in Corporation Tax rates	50,566	-
<b>Total deferred tax</b>	<b>(382,633)</b>	<b>-</b>
<b>Total tax on profit</b>	<b>(382,448)</b>	<b>-</b>
<b>Tax reconciliation:</b>		
Profit before tax	422,778	155,505
Tax at 19.25% (2016: 20%)	81,385	31,101
Utilisation of losses on which no deferred tax asset previously recognised	(82,014)	(31,101)
Other timing differences on which deferred tax not previously recognised	(432,440)	-
Prior period adjustments and rate changes	50,621	-
<b>Income tax expense for the period</b>	<b>(382,448)</b>	<b>-</b>

As at 31 December 2016 there was not sufficient evidence available regarding the likelihood of future profits to enable recognition of a deferred tax asset in respect of accumulated losses.

As at 31 December 2017 there is now greater certainty regarding funding, the Company has received its FCA licence and has been profitable for two years (with greater profitability anticipated). Consequently, the Company has now recognised a deferred tax asset.

A reduction in the UK Corporation Tax rate from 21% to 20% (effective 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26<sup>th</sup> October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6<sup>th</sup> September 2016. They will reduce the company's future tax charge accordingly.

## George Banco.Com Limited

### Notes to the Financial Statements

For the year ended 31 December 2017

#### 8 Debtors

		2017	2016
	Note	£	£
Loans to customers		35,366,364	25,089,094
Deferred tax asset	13	382,633	0
		<u>35,748,997</u>	<u>25,089,094</u>
Less non-current portion		(23,985,196)	(17,444,603)
Total current trade and other debtors		<u>11,763,801</u>	<u>7,644,491</u>

#### Details of non-current trade and other debtors

£23,985,196 (2016: £17,444,603) of amounts loaned to customers is classified as non-current. This represents the loan receivable due from customers in greater than 1 year.

The impairment loss recognised in the profit and loss account for the year in respect of the movement of the bad and doubtful debt provision was £1,967,675 (2016: £1,384,060).

#### 9 Creditors

		2017	2016
	Note	£	£
<b>Due within one year</b>			
Loans and borrowings	10	0	5,205,189
Trade creditors		41,123	46,247
Amounts due to group undertakings	14	3,198,800	1,969,085
Corporation Tax		185	0
		<u>3,240,108</u>	<u>7,220,521</u>
<b>Due after one year</b>			
Loans and borrowings	10	0	22,324,782
Amounts due to group undertakings	14	34,982,333	0
		<u>34,982,333</u>	<u>22,324,782</u>

## George Banco.Com Limited

### Notes to the Financial Statements

For the year ended 31 December 2017

<b>10 Loans and borrowings</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>

#### Non-current loans and borrowings

Other borrowings	0	22,324,782
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<b>2017</b>	<b>2016</b>
<b>£</b>	<b>£</b>

#### Current loans and borrowings

Other borrowings	0	5,205,189
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#### Other borrowings

On the acquisition of George Banco Ltd by Everyday Loans Limited on 17<sup>th</sup> August 2017 the trading facility was settled in full and replaced by an intercompany loan from NSF Finco Limited.

#### 11 Capital commitments

The Company had no capital commitments as at 31 December 2017 (2016: nil)

#### 12 Share capital

<b>2017</b>	<b>2016</b>
<b>£</b>	<b>£</b>

#### Allotted, called up and fully paid

Ordinary shares of £1 each	1	1
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#### 13 Deferred tax

Deferred tax is provided for as follows:

<b>2017</b>	<b>2016</b>
<b>£</b>	<b>£</b>

Tax losses available	382,633	-
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Deferred tax asset	382,633	-
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There is no expiry date on timing differences, unused tax losses or tax credits

## **George Banco.Com Limited**

### **Notes to the Financial Statements**

**For the year ended 31 December 2017**

#### **14 Related party transactions**

On the acquisition of George Banco Ltd by Everyday Loans Limited on 17<sup>th</sup> August 2017 the working capital facility was settled in full and replaced by an intercompany loan from NSF Finco Limited. At the year end the balance owed to NSF Finco Limited was £34,982,333 (2016: £nil) including £1,276,401 (2016: £nil) of accrued interest.

During the year the company paid management charges of £5,715,667 (2016: £3,795,000) to George Banco Ltd. At the year end the balance owed to George Banco Ltd was £3,198,800 (2016: £1,969,085).

#### **15 Parent and ultimate parent undertaking**

The company is a subsidiary of George Banco Limited. The address of George Banco Limited is The Blue Building, Dairy House Farm, Stubbs Lane, Beckington, Frome, Somerset, BA11 6TE.

The ultimate parent undertaking is Non-Standard Finance PLC. The address of Non-Standard Finance PLC is 5<sup>th</sup> Floor, 6 St Andrew Street, London, EC4A 3AE.

Non-Standard Finance PLC heads the largest and smallest group in which the Company is consolidated. A copy of the consolidated financial statements of Non-Standard Finance PLC may be obtained from 5th Floor, 6 St Andrews Street, London, EC4A 3AE.

## George Banco.Com Limited

### Detailed profit and loss account

For the year ended 31 December 2017

	2017	2016
	£	£
<b>Turnover</b>		
Interest Received	11,543,716	7,871,982
<b>Cost of sales</b>		
Interest payable	(3,243,730)	(2,299,326)
Other broker fees	(189,836)	(235,873)
	<u>(3,433,566)</u>	<u>(2,535,199)</u>
<b>Gross profit</b>	8,110,150	5,336,783
<b>Gross profit (%)</b>	69.69%	67.79%
<b>Administrative expenses</b>		
Administrative expenses	(7,687,372)	(5,181,554)
<b>Operating profit</b>	<u>422,778</u>	<u>155,229</u>
<b>Other interest receivable and similar income</b>		
Interest income on bank deposits	677	276
<b>Profit before tax</b>	<u>423,455</u>	<u>155,505</u>

This page does not form part of the statutory financial statements

## George Banco.Com Limited

### Detailed profit and loss account

For the year ended 31 December 2017

	2017	2016
	£	£
<b>Administration Costs</b>		
Management charges payable	5,715,667	3,795,000
Movement in bad debt provision	1,967,675	1,384,060
Bank charges	4,030	2,494
	<u>7,687,372</u>	<u>5,181,554</u>

This page does not form part of the statutory financial statements