

One Rebel Limited

Directors' Report and Financial Statements

Year Ended

31 December 2018

Company Number 08827353



One Rebel Limited

Company Information

Directors	J Balfour M Balfour G Dean J Jack D Currie
Registered number	08827353
Registered office	63 St Mary Axe London EC3A 8LE
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

One Rebel Limited

Contents

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9 - 24

One Rebel Limited

Directors' Report For the Year Ended 31 December 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Business review

The company's loss for the financial period 2018 was £1,105,166 (2017: £1,525). 2018 was a transformational year for the business opening three new clubs, South Bank, Bayswater and Victoria, and the 2018 result reflects the costs of establishing these new clubs. These 3 clubs are all now profitable with Victoria, one of the largest Ride studios in Europe, winning a Restaurant and Bar Design Award and the World Interiors News Award. The two original clubs, St Mary's Axe and Broadgate, have continued to perform well, generating profits in line with 2017.

Directors

The directors who served during the year were:

J Balfour
M Balfour
G Dean
J Jack
D Currie (appointed 15 June 2018)

Future developments

Since the end of the accounting period the company has continued its London roll out plan, with a successful launch of its new club in Angel in July 2019 and securing leases for clubs in Holborn and Oxford Circus. In addition, the company has begun its international expansion securing a lease for a club in Melbourne, Australia.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on **31 OCTOBER 2019** and signed on its behalf.



G Dean
Director

One Rebel Limited

Directors' Responsibilities Statement For the Year Ended 31 December 2018

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 for the prevention and detection of fraud and other irregularities.

One Rebel Limited

Independent Auditor's Report to the Members of One Rebel Limited

Opinion

We have audited the financial statements of One Rebel Limited ("the Company") for the year ended 31 December 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the 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 31 December 2018 and of its loss 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.

One Rebel Limited

Independent Auditor's Report to the Members of One Rebel Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report and financial statements, 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.

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 Directors' 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.

One Rebel Limited

Independent Auditor's Report to the Members of One Rebel Limited (continued)

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:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

BDO LLP

Ian Clayden (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 31 October 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

One Rebel Limited

Statement of Comprehensive Income For the Year Ended 31 December 2018

	Note	2018 £	2017 £
Turnover		5,741,454	4,006,641
Cost of sales		(1,215,480)	(870,044)
Gross profit		4,525,974	3,136,597
Administrative expenses		(5,606,077)	(2,989,940)
Other operating income		-	2,745
Operating (loss)/profit		(1,080,103)	149,402
Interest receivable and similar income		9,725	3,548
Interest payable and expenses	7	(34,788)	(105,989)
(Loss)/profit before tax		(1,105,166)	46,961
Tax on (loss)/profit	8	-	(48,486)
Loss for the financial year		(1,105,166)	(1,525)

There was no other comprehensive income for 2018 (2017: £Nil).

The notes on pages 9 to 24 form part of these financial statements.

One Rebel Limited
Registered number:08827353

Statement of Financial Position
As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	9	142,396	-
Tangible assets	10	7,292,704	2,807,930
Current assets			
Stocks		61,812	31,589
Debtors: amounts falling due after more than one year	11	683,927	604,227
Debtors: amounts falling due within one year	11	792,407	389,432
Cash and cash equivalents	12	1,066,852	4,828,324
		<u>2,604,998</u>	<u>5,853,572</u>
Creditors: amounts falling due within one year	13	<u>(1,494,927)</u>	<u>(1,597,539)</u>
Net current assets		<u>1,110,071</u>	<u>4,256,033</u>
Total assets less current liabilities		<u>8,545,171</u>	<u>7,063,963</u>
Creditors: amounts falling due after more than one year	14	(1,219,632)	(429,375)
Net assets		<u><u>7,325,539</u></u>	<u><u>6,634,588</u></u>
Capital and reserves			
Called up share capital	17	98,878	87,958
Share premium account	18	11,341,253	9,556,056
Profit and loss account	18	(4,114,592)	(3,009,426)
Total equity		<u><u>7,325,539</u></u>	<u><u>6,634,588</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 OCTOBER 2019.



G Dean
Director

The notes on pages 9 to 24 form part of these financial statements.

One Rebel Limited

Statement of Changes in Equity For the Year Ended 31 December 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	87,958	9,556,056	(3,009,426)	6,634,588
Comprehensive income for the year				
Loss for the year	-	-	(1,105,166)	(1,105,166)
Total comprehensive income for the year	-	-	(1,105,166)	(1,105,166)
Shares issued during the year	10,920	1,785,197	-	1,796,117
At 31 December 2018	98,878	11,341,253	(4,114,592)	7,325,539

Statement of Changes in Equity For the Year Ended 31 December 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	87,958	9,556,056	(3,007,901)	6,636,113
Comprehensive income for the year				
Loss for the year	-	-	(1,525)	(1,525)
Total comprehensive income for the year	-	-	(1,525)	(1,525)
At 31 December 2017	87,958	9,556,056	(3,009,426)	6,634,588

The notes on pages 9 to 24 form part of these financial statements.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

1. General information

One Rebel Ltd is a private company limited by shares incorporated in England and Wales under the Companies Act. The address of the registered office can be found on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

Going concern is assessed by preparing forecasts on expected financial performance, working capital requirements, further funding requirements and expected capital projects to be undertaken by the company. Subsequent to the year end, all of the existing clubs have continued to generate cash from operations and the company has invested in opening new sites, drawing on its cash reserves and further shareholder loans. The company's forecasts indicate that the company will have sufficient cash to finance continuing operations.

The directors therefore have a reasonable expectation that the company has adequate resources to continue operating for at least twelve months and for the foreseeable future thereafter. Therefore, the directors continue to adopt the going concern basis in preparing the financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

2. Accounting policies (continued)

2.4 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually at point of sale), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised by reference to the point at which the service was delivered or consumed (i.e. class attendance).

2.5 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

The benefits of lease incentives received on entering into new leases are spread over the lease term.

2.6 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.7 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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:

Depreciation is provided on the following basis:

Leasehold improvements	- 10 years straight line
Fixtures, fittings & equipment	- 3-5 years straight line
Computer equipment	- 3 years straight line

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

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

2. Accounting policies (continued)

2.12 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.

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

2. Accounting policies (continued)

2.17 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.18 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

2.19 Retirement benefits

Employees are enrolled in a defined contribution scheme. Employer contributions to the scheme are charged as an expense as they are incurred.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

2. Accounting policies (continued)

2.20 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with the fair value of goods and services received.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 10)

Tangible fixed assets, other than investments properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

4. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting):

	2018 £	2017 £
Depreciation of tangible fixed assets	836,821	478,874
Amortisation of intangible fixed assets	42,392	-
Exchange differences	2,252	(36)
Other operating lease rentals	789,049	421,963
	<u>789,049</u>	<u>421,963</u>

5. Employees

The average monthly number of employees, including directors, during the year was 105 (2017 - 77).

6. Directors' remuneration

	2018 £	2017 £
Remuneration paid to directors	260,212	167,341
	<u>260,212</u>	<u>167,341</u>

7. Interest payable and similar expenses

	2018 £	2017 £
Loan interest	4,655	16,994
Interest on asset finance agreements	30,133	88,971
Other interest	-	24
	<u>34,788</u>	<u>105,989</u>

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

8. Taxation

	2018 £	2017 £
Deferred tax		
Origination and reversal of timing differences	-	48,486

An unrecognised deferred tax asset of £703,000 (2017: £556,000) has not yet been recognised on account of the uncertainty with regard to future profits against which these are available for offset.

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2017 - 19%). The differences are explained below:

	2018 £	2017 £
(Loss)/profit on ordinary activities before tax	(1,105,166)	46,961
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19%)	(209,982)	8,923
Effects of:		
Expenses not deductible for tax purposes	1,716	1,998
Fixed asset differences	53,931	49,061
Deferred taxation asset not recognised	164,491	-
Tax losses not utilised	(10,156)	(11,496)
Total tax charge for the year	-	48,486

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

9. Intangible assets

	Computer software £
Cost	
At 1 January 2018	-
Additions	104,866
Transfer between classes	222,701
	<hr/>
At 31 December 2018	327,567
	<hr/>
Amortisation	
Charge for the year	42,392
Amortisation transfer from group	142,779
	<hr/>
At 31 December 2018	185,171
	<hr/>
Net book value	
At 31 December 2018	142,396
	<hr/> <hr/>
At 31 December 2017	-
	<hr/> <hr/>

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

10. Tangible fixed assets

	Leasehold improvements £	Assets under construction £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost					
At 1 January 2018	2,560,871	692,029	758,088	222,701	4,233,689
Additions	4,385,084	112,085	904,348	-	5,401,517
Transfers between classes	692,029	(692,029)	-	(222,701)	(222,701)
At 31 December 2018	<u>7,637,984</u>	<u>112,085</u>	<u>1,662,436</u>	<u>-</u>	<u>9,412,505</u>
Depreciation					
At 1 January 2018	989,352	-	293,628	142,779	1,425,759
Charge for the year	594,491	-	242,330	-	836,821
Transfers between classes	-	-	-	(142,779)	(142,779)
At 31 December 2018	<u>1,583,843</u>	<u>-</u>	<u>535,958</u>	<u>-</u>	<u>2,119,801</u>
Net book value					
At 31 December 2018	<u>6,054,141</u>	<u>112,085</u>	<u>1,126,478</u>	<u>-</u>	<u>7,292,704</u>
At 31 December 2017	<u>1,571,519</u>	<u>692,029</u>	<u>464,460</u>	<u>79,922</u>	<u>2,807,930</u>

The NBV of assets held under finance leases is £520,529 (2017 - £1,033,578).

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

11. Debtors

	2018 £	2017 £
Due after more than one year		
Other debtors	<u>683,927</u>	<u>604,227</u>
	2018 £	2017 £
Due within one year		
Trade debtors	7,669	22,230
Other debtors	781,301	363,765
Deferred tax asset	3,437	3,437
	<u>792,407</u>	<u>389,432</u>

12. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>1,066,852</u>	<u>4,828,324</u>

13. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts (note 5)	-	90,909
Other loans (note 5)	-	14,167
Trade creditors	428,284	354,365
Other taxation and social security	65,594	294,059
Other creditors	120,233	99,625
Accruals and deferred income	726,473	450,838
Assets held under finance lease	154,343	293,576
	<u>1,494,927</u>	<u>1,597,539</u>

The directors considers that the carrying amount of trade payables approximates to their fair value.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

14. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Assets held under finance lease	331,173	-
Other creditors - rent free accruals	888,459	429,375
	<u>1,219,632</u>	<u>429,375</u>

15. Loans and overdrafts

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	-	90,909
Other loans	-	14,167
	<u>-</u>	<u>105,076</u>

Loans were secured by fixed charges over various of the company's properties. All loans held as at 31 December 2017 were repayable within one year, and were repaid during 2018.

16. Finance lease obligations

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	154,343	346,255
Between 1-2 years	163,481	-
Between 2-5 years	167,692	-
	<u>485,516</u>	<u>346,255</u>

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

17. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
39,220,070 (2017 - 28,550,000) Series A shares of £0.001 each	39,220	28,550
50,896,000 (2017 - 50,896,000) A ordinary shares of £0.001 each	50,896	50,896
8,761,774 (2017 - 8,512,000) B investments shares of £0.001 each	8,762	8,512
	98,878	87,958

Voting rights are attached to A shares with 1 vote per share. B Investment shares do not carry voting rights. All share classes rank equally for dividends.

During the year, the Company issued 10,670,320 Series A shares for a total consideration of £1,796,115. The Company also issued 250,000 B investment shares for a total consideration of £250 (unpaid at year end).

18. Reserves

The company's reserves are as follows:

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

19. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £Nil (2017 - £2,160,495).

20. Commitments under operating leases

At 31 December 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	966,667	535,000
Later than 1 year and not later than 5 years	4,231,005	4,116,667
Later than 5 years	6,417,927	6,916,250
	11,615,599	11,567,917

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

21. Related party transactions

During the year the company has no related party transactions, other than the Directors' loans disclosed in Note 22.

22. Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Interest charged £	Amounts repaid £	Closing balance £
Directors' Loan	2.50	15,365	-	-	(15,365)	-
		<u>15,365</u>	<u>-</u>	<u>-</u>	<u>(15,365)</u>	<u>-</u>

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

23. Share based payments

The company operates an Enterprise Management Incentive plan for certain UK employees, and a similar scheme for certain Australian employees. In accordance with the provision of the plans, employees may acquire B Investment shares in the Company with options vesting on the occurrence of certain exit events such as a listing or sale of the Company or at the discretion of the Directors. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights.

	Weighted average exercise price (pence) 2018	Number 2018	Weighted average exercise price (pence) 2017	Number 2017
Outstanding at the beginning of the year	6.7000	928,245	-	-
Granted during the year	6.6322	4,234,352	6.7000	928,245
Outstanding at the end of the year	6.6444	5,162,597	6.7000	928,245

No options were exercisable at the year end.

The following information is relevant in the determination of the fair value of options granted during the current and previous years under the equity-settled share based remuneration schemes operated by One Rebel Limited.

	2018
Weighted average share price (pence)	8.2
Exercise price (pence)	6.7
Weighted average contractual life (years)	10
Expected volatility	37.2%
Expected dividend growth rate	0%
Risk-free interest rate	1.15%

During the year the Company issued 4,234,352 (2017: 928,245) share options with a fair value of £61,560 (2017: £19,147) based on the value of services received as prescribed under the Company's Enterprise Management Incentive plan.

The Black-Scholes option pricing model was used to value the share-based payment awards as it was considered that this approach would result in materially accurate estimate of the fair value of options granted.

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices over the last three years of comparable publicly quoted companies.

No share-based remuneration expense has been recognised in 2018 (2017: £nil) as the Directors consider it less than probable that an exit event will occur during the vesting period.

One Rebel Limited

Notes to the Financial Statements For the Year Ended 31 December 2018

24. Post balance sheet events

During 2019 the company has to date issued 1,797,039 share options under the Enterprise Management Incentive Plan, or a plan with similar vesting and exercising conditions, as detailed in note 23 with a weighted average exercise price of 6.7049 pence.

During 2019 the company has to date issued 2,613,637 share options which may be exercised at the discretion of the option holder at any time within 10 years of the vesting of the options at an weighted average exercise price of 25.2804 pence

During 2019 the company entered into 3 leases each of 15 years, and one of 18 years for an aggregated annual rental charge of £1,098,089. Additionally, the company has entered into a contract post year end for the fit out of one of the new locations for £999,400 expected to be paid between 2019 and 2020.

During 2019 the company agreed a facility for the issue of £6,000,000 8% secured convertible loan notes 2021. £3,550,000 of these loan notes have been issued to date.