

Spring Personal Loans Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2017

Sterlings Ltd
Chartered Accountants
Lawford House
Albert Place
London
N3 1QA

Spring Personal Loans Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Financial Statements	<u>4</u> to <u>12</u>

Spring Personal Loans Limited

Company Information

Directors	J H Margolis N C Epstein
Registered office	Stanmore House 1st Floor 15 -19 Church Road Stanmore Middlesex HA7 4AR
Accountants	Sterlings Ltd Chartered Accountants Lawford House Albert Place London N3 1QA

Spring Personal Loans Limited
(Registration number: 04614812)
Balance Sheet as at 30 June 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>5</u>	-	-
		-	-
Current assets			
Debtors due within one year	<u>6</u>	930,863	981,368
Debtors due after more than one year		1,176,175	1,501,832
Cash at bank and in hand		115,595	92,821
		2,222,633	2,576,021
Creditors: Amounts falling due within one year	<u>7</u>	(30,584)	(20,274)
Net current assets		2,192,049	2,555,747
Total assets less current liabilities		2,192,049	2,555,747
Creditors: Amounts falling due after more than one year	<u>7</u>	(8,930,995)	(8,931,856)
Net liabilities		(6,738,946)	(6,376,109)
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(6,739,046)	(6,376,209)
Total equity		(6,738,946)	(6,376,109)

For the financial year ending 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 12 form an integral part of these financial statements.

Spring Personal Loans Limited
(Registration number: 04614812)
Balance Sheet as at 30 June 2017

Approved and authorised by the Board on 27 March 2018 and signed on its behalf by:

.....

J H Margolis

Director

The notes on pages 4 to 12 form an integral part of these financial statements.
Page 3

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Stanmore House 1st Floor
15 -19 Church Road
Stanmore
Middlesex
HA7 4AR

The principal place of business is:

Regent House
Allum Gate
Elstree
Borehamwood
Herts
WD6 4RS

These financial statements were authorised for issue by the Board on 27 March 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements 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 Section 1A - '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 except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Pounds Sterling, which is also the functional currency of the Company. Rounding of amounts shown in the financial statements is to the nearest Pound.

Going concern

The financial statements have been prepared on a going concern basis.

The company has net liabilities of the amount shown on the balance sheet. However Volkommen Financiering B.V., a company incorporated in the Netherlands, has given assurances that it will continue to support the company for the foreseeable future. On this basis the directors consider that it is appropriate to prepare the accounts on a going concern basis. The accounts do not include any adjustments that would result from a withdrawal of this support.

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Judgements

In the application of the Company's accounting policies, which are described below, management is required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on judgement and experience together with any other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and any underlying assumptions used are reviewed on a continuing 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 the current period and subsequent periods.

Revenue recognition

Turnover comprises the fair value of the consideration received and receivable for interest received on repayments of loans advanced in the ordinary course of the company's activities. Turnover is shown net of returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Cost of sales represents interest paid and payable on funders' loans together with direct costs.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% straight line

Depreciation is not charged on a tangible fixed asset until it is brought into use.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for secured loans advanced in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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.

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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 company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Recognition and measurement

A financial instrument is recognised when the Company becomes a party to the contractual provisions of the instrument with initial measurement being at the transaction price.

Impairment

Financial assets are assessed for indications of impairment at the end of each accounting period. They are considered to be impaired when there is evidence that the estimated future cash flows of the asset have been affected.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2016 - 3).

4 Loss before tax

On the basis of these financial statements no provision has been made for corporation tax.

The company has estimated losses of £407,082 (2016 - £892,700) available for carry forward against future trading profits.

The company had a deferred tax asset amounting to approximately £77,346 (2016 - £178,540) as at year end which has not been provided on the basis that there are not likely to be sufficient profits for the foreseeable future to allow the losses to be recouped.

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

5 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 July 2016	276	276
At 30 June 2017	276	276
Depreciation		
At 1 July 2016	276	276
At 30 June 2017	276	276
Carrying amount		
At 30 June 2017	-	-

6 Debtors

	2017 £	2016 £
Trade debtors	1,347,883	1,744,586
Other debtors	759,155	738,614
	2,107,038	2,483,200
Less non-current portion	(1,176,175)	(1,501,832)
	930,863	981,368

Trade debtors are the amounts due from borrowers and are secured by legal charges held over land and buildings, in respect of which the company had received professional valuations. Trade debtors are shown net of bad debt provisions of £122,493 (2016 - £1,201,844).

Details of non-current trade and other debtors

£1,176,175 (2016 -£1,501,832) of Trade debtors is classified as non current.

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

7 Creditors

Creditors: amounts falling due within one year

	2017 £	2016 £
Due within one year		
Taxation and social security	700	-
Accruals and deferred income	20,074	15,698
Other creditors	9,810	4,576
	<u>30,584</u>	<u>20,274</u>

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	9	<u>8,930,995</u>	<u>8,931,856</u>

The aggregate amount of creditors for which security has been given amounted to £8,930,995 (2016 - £8,931,856).

Other creditors comprise a loan from Volkomen Financiering B.V., a company incorporated in the Netherlands. The loan facility is for a maximum of £30,000,000. Interest is payable six months in arrears. Volkomen Financiering B.V. holds a fixed and floating charge over the assets of the company.

8 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Other borrowings	<u>8,930,995</u>	<u>8,931,856</u>

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

10 Dividends

The directors are proposing no final dividend. No dividend has been accrued in the Balance Sheet.

11 Related party transactions

Key management personnel

The key management comprises the directors.

Key management compensation

	2017	2016
	£	£
Salaries and other short term employee benefits	28,000	36,000

Directors' remuneration

The directors' remuneration for the year was as follows:

	2017	2016
	£	£
Remuneration	28,000	36,000

Other related party transactions

During the year the company made the following related party transactions:

J H Margolis, a director of the company, is also a director of Clermont Consultants (UK) Limited. During the year the company incurred fees amounting to £10,565 (2016 - £6,729) for accountancy and bookkeeping services performed by Clermont Consultants (UK) Limited.

12 Parent and ultimate parent undertaking

The company's immediate parent is Whithaven Investments Limited, incorporated in England and Wales.

The ultimate parent is Whithaven Investments Limited, incorporated in England and Wales.

13 Transition to FRS 102

The company is presenting its financial statements under Financial Reporting Standard 102 for the first time. The reconciliations to show all adjustments for reclassification and remeasurement on adoption of the new standard are set out below.

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Balance Sheet at 1 July 2015

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Current assets				
Debtors	2,781,826	-	-	2,781,826
Cash at bank and in hand	14,215	-	-	14,215
	2,796,041	-	-	2,796,041
Creditors: Amounts falling due within one year	(11,654)	-	-	(11,654)
Total assets less current liabilities	2,784,387	-	-	2,784,387
Creditors: Amounts falling due after more than one year	(8,964,453)	-	-	(8,964,453)
Net liabilities	(6,180,066)	-	-	(6,180,066)
Capital and reserves				
Called up share capital	(100)	-	-	(100)
Profit and loss account	6,180,166	-	-	6,180,166
Total equity	6,180,066	-	-	6,180,066

Spring Personal Loans Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Balance Sheet at 30 June 2016

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Current assets				
Debtors	2,483,200	-	-	2,483,200
Cash at bank and in hand	92,821	-	-	92,821
	2,576,021	-	-	2,576,021
Creditors: Amounts falling due within one year	(20,274)	-	-	(20,274)
Total assets less current liabilities	2,555,747	-	-	2,555,747
Creditors: Amounts falling due after more than one year	(8,931,856)	-	-	(8,931,856)
Net liabilities	(6,376,109)	-	-	(6,376,109)
Capital and reserves				
Called up share capital	(100)	-	-	(100)
Profit and loss account	6,376,209	-	-	6,376,209
Total equity	6,376,109	-	-	6,376,109

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.