

## **Rentify Limited**

### **Unaudited Financial statements**

For the year ended 31 December 2018

Registered number: 07723819



## Statement of financial position

As at 31 December 2018

	Note	2018 £	As restated 2017 £
<b>Fixed assets</b>			
Tangible assets	4	20,480	17,078
		<u>20,480</u>	<u>17,078</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	270,428	302,022
Cash at bank and in hand		271,888	227,995
		<u>542,316</u>	<u>530,017</u>
Creditors: amounts falling due within one year	6	(592,703)	(2,724,561)
<b>Net current liabilities</b>		<u>(50,387)</u>	<u>(2,194,544)</u>
<b>Total assets less current liabilities</b>		<u>(29,907)</u>	<u>(2,177,466)</u>
<b>Provisions for liabilities</b>			
Other provisions		(77,056)	(77,056)
		<u>(77,056)</u>	<u>(77,056)</u>
<b>Net liabilities</b>		<u><u>(106,963)</u></u>	<u><u>(2,254,522)</u></u>
<b>Capital and reserves</b>			
Share capital		6,889	5,734
Share premium account		13,226,437	8,962,180
Profit and loss account		(13,340,289)	(11,222,436)
		<u><u>(106,963)</u></u>	<u><u>(2,254,522)</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

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.

## Statement of financial position (continued)

As at 31 December 2018

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
.....

**S G M Spencer**  
Director

Date: 10.03.2020

The notes on pages 3 to 8 form part of these financial statements.

## Notes to the financial statements

For the year ended 31 December 2018

### 1. General information

The company is a private company limited by shares and incorporated in England and Wales. Its registered office and its principal place of business is 65 Leonard Street, London, United Kingdom, EC2A 4QS. The company registration number is 07723819.

### 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 Republic of Ireland' (FRS 102) and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

#### 2.2 Going concern

At the balance sheet date, the company's liabilities exceeded its assets.

The directors consider it appropriate to prepare the financial statements on the going concern basis on the basis that the company intends to raise additional equity in the next financial period, which will ensure that the company can meet its liabilities for a period of at least twelve months from the date of approval of these financial statements.

However, should the financial support mentioned above not be forthcoming, the going concern basis used in preparing the company's financial statements may be invalid and adjustments would have to be made necessary should this basis not continue to be appropriate.

#### 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.

## Notes to the financial statements

For the year ended 31 December 2018

### 2. Accounting policies (continued)

#### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 2.5 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

#### 2.6 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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.

#### 2.7 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

#### 2.8 Taxation

Tax is recognised in the Statement of income and retained earnings, 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.

## Notes to the financial statements

For the year ended 31 December 2018

### 2. Accounting policies (continued)

#### 2.9 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.

#### 2.10 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 3 years straight line
Database	- 3 years straight line
Fixtures and fittings	- 5 years straight line
Website	- 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

#### 2.11 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.

#### 2.12 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### 2.13 Creditors

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

## **Notes to the financial statements**

For the year ended 31 December 2018

### **2. Accounting policies (continued)**

#### **2.14 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

## Notes to the financial statements

For the year ended 31 December 2018

### 2. Accounting policies (continued)

#### 2.15 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.

### 3. Employees

The average monthly number of employees, including directors, during the year was 20 (2017 -26).

### 4. Tangible fixed assets

	Database £	Fixtures and fittings £	Computer equipment £	Website £	Total £
<b>Cost or valuation</b>					
At 1 January 2018	15,598	24,809	73,820	54,748	168,975
Additions	-	3,313	15,792	-	19,105
Disposals	-	(6,114)	(1,868)	-	(7,982)
At 31 December 2018	15,598	22,008	87,744	54,748	180,098
<b>Depreciation</b>					
At 1 January 2018	15,598	16,495	68,126	51,678	151,897
Charge for the year	-	3,964	5,923	3,070	12,957
Disposals	-	(3,524)	(1,712)	-	(5,236)
At 31 December 2018	15,598	16,935	72,337	54,748	159,618
<b>Net book value</b>					
At 31 December 2018	-	5,073	15,407	-	20,480
At 31 December 2017	-	8,314	5,694	3,070	17,078



## Notes to the financial statements

For the year ended 31 December 2018

### 5. Debtors

	2018 £	As restated 2017 £
Trade debtors	12,701	10,583
Other debtors	255,741	275,903
Prepayments and accrued income	-	13,550
Tax recoverable	1,986	1,986
	<u>270,428</u>	<u>302,022</u>

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

	2018 £	As restated 2017 £
Trade creditors	131,222	220,845
Corporation tax	-	831
Other taxation and social security	109,378	162,119
Other creditors	214,194	2,146,272
Accruals and deferred income	137,909	194,494
	<u>592,703</u>	<u>2,724,561</u>

### 7. Related party transactions

During the year ended 31 December 2018, the company provided loans to directors totalling £71,563 (2017: £17,442). Directors made payments on behalf of the company totalling £74,183 (2017: £nil). At the balance sheet date, £7,380 (2017: £10,000) was due to the company by way of an interest free loan, repayable on demand.

### 8. Prior year adjustment

A prior year adjustment was made in respect of the year ended 31 December 2017 as a result of new information being attained.

Adjusting for this error had the following impact in the year ended 31 December 2017:

- Increase in other debtors by £224,539.
- Increase in other creditors by £224,539.