

**RENTGUARANTOR LIMITED
ANNUAL REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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RENTGUARANTOR LIMITED
ANNUAL REPORT AND AUDITED ACCOUNTS
CONTENTS

	Page
Company information	3
Directors' report	4
Independent Auditors report	5
Income statement	8
Statement of financial position	9
Notes to the accounts	10
Detailed profit and loss account	12

**RENTGUARANTOR LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

Directors	Paul Foy Emma Foy Graham John William Duncan John Paul O'Donoghue
Company Number	07913370 (England and Wales)
Registered Office	Finsgate 5-7 Cranwood Street London EC1V 9EE United Kingdom
Auditors	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE United Kingdom

**RENTGUARANTOR LIMITED
DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and accounts for the year ended 31 December 2021.

Principal activity

The company provides rent guarantees to tenants and each rent guarantee is backed by insurance.

Directors

The following directors held office during the whole of the period:

Caroline Dixon (resigned on 18 February 2021)

Paul Foy (Appointed on 18 February 2021)

Emma Foy

Graham Duncan

John O'Donoghue

Statement of directors' responsibilities

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

Company law requires the directors to prepare accounts for each financial year. Under that law, the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The directors have reviewed the forecasted cash flows and profits of the company and believe that there are adequate resources available to enable the company to meet its liabilities for at least one year from the date the financial statements are signed. This is based on continued support from RentGuarantor Holdings Plc, the ultimate parent company, and its strong working capital position.

Post reporting date events

There are no post Balance Sheet events to report.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors



Mr Paul Foy

Director

30 September 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RENTGUARANTOR LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Rentguarantor Limited for the year ended 31 December 2021 which comprise the Statements of Financial Position and the Statement of Profit and Loss and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the small companies' regime and in accordance with the provisions of FRS102 Section 1A – Small Entities.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of the Company's results for the year then ended;
- have been properly prepared in accordance with FRS 102 Section 1A – Small Entities; 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.

Material uncertainty related to going concern

We draw your attention to note 3 in these financial statements, which indicate that the company incurred a loss after tax of £297,633 and has net liabilities of £715,883 for the year ended 31 December 2021. The net liability primarily relates to an intercompany loan with the Parent. We understand that the parent company will continue to provide support to the Company. These events or conditions, along with the other matters as set forth above, indicate that a material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included a detailed assessment of the Parent company's ability to provide support by reviewing future forecasts and assessing the assumptions utilised by management in preparing the forecast along with a review of the cash held at year end up to the date of signing this report. These assumptions were further assessed along with those used in the prior year to determine reasonability.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 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 have 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 strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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. This description forms part of our auditor's report.

Use of this 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.



Sanjay Parmar (Senior Statutory Auditor)
For and on behalf of Jeffrey Henry LLP, Statutory Auditor
Finsgate
5-7 Cranwood Street
London EC1V 9EE
30 September 2022

RENTGUARANTOR LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Turnover	241,033	121,411
Cost of sales	<u>(71,568)</u>	<u>(30,469)</u>
Gross profit	169,465	90,942
Administrative expenses	<u>(458,855)</u>	<u>(304,240)</u>
Operating loss	(289,390)	(213,298)
Interest payable and similar charges	<u>(8,243)</u>	<u>(8,719)</u>
Loss on ordinary activities before taxation	(297,633)	(222,017)
Tax on loss on ordinary activities	-	-
Loss for the financial year	<u>(297,633)</u>	<u>(222,017)</u>

RENTGUARANTOR LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Current assets			
Trade Debtors		386	444
Cash at bank and in hand		13,783	6,753
		<u>14,169</u>	<u>7,197</u>
Creditors: amounts falling due within one year	4	(64,320)	(69,428)
Net current liabilities		<u>(50,151)</u>	<u>(62,231)</u>
Total assets less current liabilities		(50,151)	(62,231)
Creditors: amounts falling due after more than one year	5	(665,732)	(356,019)
Net liabilities		<u>(715,883)</u>	<u>(418,250)</u>
Capital and reserves			
Called up share capital		500	500
Profit and loss account		<u>(716,383)</u>	<u>(418,750)</u>
Shareholders' funds		<u>(715,883)</u>	<u>(418,250)</u>

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

These accounts 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.

Approved by the Board on 30 September 2022.



Mr Paul Foy

Director

Company Registration No. 07913370

RENTGUARANTOR LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Statutory information

RentGuarantor Limited is a private company, limited by shares, registered in England and Wales, registration number 07913370. The registered office is Finsgate, 5-7 Cranwood Street, London, EC1V 9EE, United Kingdom.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

3 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Presentation currency

The accounts are presented in £ sterling.

Going concern

The company incurred a loss after tax of £297,633 and had net liabilities of £715,883 for the year ended 31 December 2021. The net liability primarily relates to an intercompany loan with the Parent. The directors understand that the parent will continue to provide support to the Company and have confirmed that they have the ability to do so for a period of at least 12 months, based on forecasted cash flows and profits of the Parent company. As such the directors believe that there are adequate resources available to enable the company to meet its liabilities for at least one year from the date the financial statements are signed.

Revenue

Revenue represents the value of goods and services supplied in the provision of the Company's online platform offering long term property rental services. The entity's main source of revenue derives from rental guarantor contracts whereby the entity acts as a guarantor for tenants willing to apply for a rental contract. For contracts on which revenue exceeds fees rendered, the excess is included as amounts recoverable on contract within other receivables. For contracts on which fees rendered exceeds revenue, the excess is included as deferred income within other payables. Revenue is recognised over the course of the contracts, in line with when the performance obligations are satisfied. Invoices are payable prior to services being rendered.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Share capital

Ordinary shares are classified as equity.

Creditors

Trade payables 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 payment is due within one year or less.

Income tax expense

Current income tax which is payable on taxable profits is recognised as an expense in the year in which the profits arise.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Critical accounting estimates and judgements

In recognising income tax assets and liabilities, management makes estimates of the likely outcomes of decisions by tax authorities on transactions and events whose treatment for tax purposes is uncertain. Where the final outcome of such matters is different, or expected to be different, from previous assessments made by management, a change to the carrying value of income tax assets and liabilities will be recorded in the year in which such a determination is made. In recognising deferred tax assets and liabilities management also makes judgements about the likely future taxable profits.

4 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	46,154	55,628
Other creditors	9,400	-
Accruals	8,766	13,800
	<u>64,320</u>	<u>69,428</u>

5 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Amounts owed to group undertakings and other participating interests	665,732	356,019

6 Average number of employees

During the year the average number of employees was 0 (2020: 0).

7 Related party transactions

Rentguarantor Holdings Plc prepares consolidated financial statements which include the results of the company. The registered address of Rentguarantor Holdings Plc is Finsgate, 5-7 Cranwood Street, London, EC1V 9EE. There are no other related parties.

8 Events after the reporting date

There were no material post balance sheet events which have a bearing on the understanding of the financial statements.

9 Controlling party

There is no controlling party in the Company.

RENTGUARANTOR LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Turnover		
Sales	241,033	121,411
Cost of sales		
Purchases	71,568	30,469
Gross profit	169,465	90,942
Administrative expenses		
Travel and subsistence	-	-
Rent	-	-
Bank charges	10,849	3,209
Software & Computer Running Costs	168	154
Sundry expenses	-	55
Accountancy fees	8,146	14,253
Legal and professional fees	6,382	367
Management fees	-	-
Advertising and PR	109,447	80,014
Website Costs	113,510	90,000
Office and General Administrative Expenses	210,353	116,188
	458,855	304,240
Operating loss	(289,390)	(213,298)
Interest payable		
Bank loans and overdrafts	(8,243)	(8,719)
Loss on ordinary activities before taxation	(297,633)	(222,017)