

Octopus Institutional Deposits Limited

Annual report and financial statements

For the period from 5 May 2016 to 30 April 2017

Registered number: 10163532



COMPANY INFORMATION

Directors	S Handfield-Jones (appointed 5 May 2016) C R Hulatt (appointed 5 May 2016) S A Rogerson (appointed 5 May 2016) R Wazacz (appointed 5 May 2016)
Company Secretary	S Waterhouse (appointed 22 May 2017) S Ludlow (appointed 5 May 2016, resigned 22 May 2017)
Company Registration Number	10163532
Registered Office	6 th Floor 33 Holborn London EC1N 2HT
Auditor	Deloitte LLP London
Bankers	HSBC plc 31 Holborn London EC1N 2HR

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DIRECTORS' REPORT

For the period from 5 May 2016 to 30 April 2017

The directors present their first report on the affairs of Octopus Institutional Deposits Limited ("the Company"), together with the financial statements and auditor's report, for the period from 5 May 2016 to 30 April 2017.

Principal activities

The principal activity of the Company during the period was that of acting as Trustee and providing day to day management services to an online platform which allows individuals and companies to deposit their cash with multiple banks through one single account. The Company's revenues are derived from margin share charged on the amount of cash deposited with banks. Due to the short period after product launch in February 2017 the Company has not generated any revenue during the period.

The platform is offered by Octopus Co-Lend Limited, regulated by the Financial Conduct Authority and a wholly owned subsidiary of the Company's immediate parent company Octopus P2P Limited. The Company acts as Trustee to the Octopus Co-Lend Limited's Trust (the "Trust") in which investors cash deposits are received. The company has no legal rights and obligations over the cash deposits held by the Trust.

Results

The results for the Company show a pre-tax loss of £92,102 on turnover of £ nil for the period from 5 May 2016 to 30 April 2017. The loss for the period, after taxation, amounted to £92,102.

The Company has no debt and shareholders' funds amount to a deficit of £92,101.

Dividends

The directors do not recommend a final dividend to be paid in the current period.

Directors

The directors who served throughout the period and as of the date of this report were as follows, except as noted:

S Handfield-Jones
C R Hulatt
S A Rogerson
R Wazacz

Director's indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Political contributions

No political donations or political contributions to non-EU political organisations were made during the period.

Small company provisions

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption; accordingly no separate strategic report has been presented.

DIRECTORS' REPORT (continued)

For the period from 5 May 2016 to 30 April 2017

Future Developments

The directors expect the general level of activity and growth to increase in the forthcoming year. This is as a result of the early stage of the business and the current and expected growth rate.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as that 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 they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP has indicated its willingness to be reappointed for another term and a resolution to reappoint them will be proposed at the next Annual General Meeting.

Approved by the Board and signed on its behalf by:



C R Hulatt
Director
15 August 2017

Registered Office:

6th Floor
33 Holborn,
London,
EC1N 2HT

DIRECTORS' RESPONSIBILITIES STATEMENT

For the period from 5 May 2016 to 30 April 2017

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OCTOPUS INSTITUTIONAL DEPOSITS LIMITED

We have audited the financial statements of Octopus Institutional Deposits Limited for the period from 5 May 2016 to 30 April 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2017 and of its loss for the period from 5 May 2016 to 30 April 2017;
- 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.

Opinion on other matter 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..

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OCTOPUS INSTITUTIONAL DEPOSITS LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors report.



Jessica Hodges (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, UK
15 August 2017

STATEMENT OF COMPREHENSIVE INCOME

For the period from 5 May 2016 to 30 April 2017

	Notes	5 May 2016 to 30 April 2017 £
Administrative expenses		(92,102)
OPERATING LOSS		(92,102)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(92,102)
Tax on loss on ordinary activities	6	-
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD		(92,102)

All amounts relate to continuing operations.

There is no other comprehensive income, and as such no separate statement of other comprehensive income has been prepared.

The notes on pages 12 to 15 form part of these financial statements.

BALANCE SHEET

At 30 April 2017

	Notes	2017 £
FIXED ASSETS		
Intangible fixed assets	7	1,475
		<u>1,475</u>
CURRENT ASSETS		
Cash at bank and in hand		84,627
CREDITORS: amounts falling due within one year	8	<u>(178,203)</u>
NET CURRENT LIABILITIES		<u>(93,576)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(92,101)</u>
NET LIABILITIES		<u><u>(92,101)</u></u>
CAPITAL AND RESERVES		
Called-up share capital	9	1
Profit and loss account		<u>(92,102)</u>
SHAREHOLDERS' DEFICIT		<u><u>(92,101)</u></u>

The financial statements of Octopus Institutional Deposits Limited (registered number: 10163532) were approved by the Board of Directors and authorised for issue on 15 August 2017. They were signed on its behalf by:



C R Hulatt
Director

The notes on pages 12 to 15 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 April 2017

	Called-up share capital	Profit and loss account	Total
	£	£	£
At 5 May 2016	-	-	-
Issue of share capital	1	-	1
Dividends paid	-	-	-
Total comprehensive income for the period	-	(92,102)	(92,102)
At 30 April 2017	1	(92,102)	(92,101)

The notes on pages 12 to 15 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 April 2017

1. Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

General information

Octopus Institutional Deposits Limited is a company incorporated in the United Kingdom under the Companies Act. The Company is a private Company limited by shares and is registered in England and Wales. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 4.

The functional currency of Octopus Institutional Deposits Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

Basis of accounting and preparation of financial statements

The financial statements have been prepared under the historical cost and in accordance with Financial Reporting Standard 102 (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its parent, Octopus Capital Ltd, which may be obtained at Company Secretary, Octopus Capital Limited, 6th Floor, 33 Holborn, London EC1N 2HT. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement and remuneration of key management personnel.

Going concern

The Company's business activities, together with the factors likely to affect its future development are set out in the Directors' Report.

The Company has sufficient financial resources together with support from the wider group. As such, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains or losses in the financial statements and recognition in the tax computation.

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

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time that the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the period ended 30 April 2017

1. Accounting Policies (continued)

Turnover

Turnover comprises revenue which is recognised to the extent that it is probable that economic benefits will flow to the Company and such revenue can be reliably measured. Revenue represents margin share chargeable on the amount of deposits managed by the Company through the online platform. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one period.

Intangible assets - website

Intangible assets are primarily costs associated with development work on the online platform and website. It is included at cost and amortised using straight line over a period of 2 years which is their estimated useful economic life. Development costs have been capitalised in accordance with FRS 102 Section 18 "Intangible Assets other than Goodwill" and are therefore not treated, for dividend purposes, as a realised loss.

Related party transactions

The Company has taken advantage of the exemption in paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned Group companies wherein any subsidiary undertaking which is a party to the transactions is wholly-owned by a member of the Group.

2. Critical accounting judgements and key sources of estimation uncertainty

There were no critical judgements that the directors have made in the process of applying the accounting policies in the current period.

3. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	5 May 2016 to 30 April 2017
	£
Amortisation of intangible assets (note 7)	1,475

4. Auditor's remuneration

Fees payable for the audit of the Company's annual accounts were £2,200. The Company's auditor did not provide any non-audit services to the Company.

5. Staff Costs

The company has no employees other than the directors, who did not receive any remuneration. Any staff costs associated to managing the company is borne by Octopus Co-Lend Limited, a member of the group headed up by the company's parent company, Octopus P2P Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the period ended 30 April 2017

6. Tax on loss on ordinary activities

The tax charge comprises:

	5 May 2016 to 30 April 2017
	£
Total loss on ordinary activities before tax	92,102
Tax on total loss on ordinary activities at blended UK corporation tax rate of 19.9%	(18,328)
Effects of:	
Disallowable expenditure	8
Group relief surrendered not paid for	18,026
Difference between current tax rate and deferred tax rate	294
Total and current tax charge for the period	-

The standard rate of tax applied to the reported profit on ordinary activities is 19.9%. The applicable tax rate has changed from 20% to 19.9% in the period following the substantive enactment of the Finance (No. 2) Act 2015.

The Company has tax losses of £ nil available for offset against future taxable profits.

7. Intangible assets

	Website
	£
Cost	
At 5 May 2016	-
Additions	2,950
At 30 April 2017	2,950
Amortisation	
At 5 May 2016	-
Charge for the period	(1,475)
At 30 April 2017	(1,475)
Net book value	
At 5 May 2016	-
At 30 April 2017	1,475

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the period ended 30 April 2017

8. Creditors

	2017
Amounts falling due within one year:	£
Amounts owed to group undertakings	(149,999)
Accrued expenses	(28,204)
	<u>(178,203)</u>

Amounts owed to group undertakings are loan due to Octopus P2P Limited, the parent company. This loan is interest free and is repayable on demand.

9. Called-Up Share Capital

	2017
	£
Allotted, called-up and fully-paid	
1 Ordinary share of £1 each	<u>1</u>

The Company issued 1 Ordinary share of £1 each during the period.

10. Ultimate Parent Undertaking and Controlling Party

The immediate parent company is Octopus P2P Limited, a company incorporated in the United Kingdom and registered in England and Wales which is the smallest level of consolidated accounts that are prepared. Copies of these accounts can be obtained from the registered office Company Secretary, Octopus P2P Limited, 6th Floor, 33 Holborn, London EC1N 2HT.

The ultimate parent company and the ultimate controlling party is Octopus Capital Limited, a company incorporated in the United Kingdom and registered in England and Wales which is the largest level of consolidated accounts that are prepared. Copies of these accounts can be obtained from the registered office Company Secretary, Octopus Capital Limited, 6th Floor, 33 Holborn, London EC1N 2HT.

11. Subsequent Events

Since 30 April 2017, the directors are not aware of any matters or circumstances that have significantly affected or may significantly affect the Company.