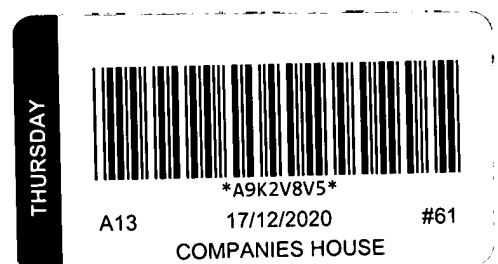


ThinkSmart UK Limited

Annual Report and Financial Statements

For the Year Ended 30 June 2020

Company Number: 06228172



30

5

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

CONTENTS

Report of the Directors	1 - 2
Statement of Directors' responsibilities in respect of the Directors' Report and Financial Statements	3
Independent Auditor's Report to the members of ThinkSmart UK Limited	4 - 6
Statement of Total Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 16

THINKSMART UK LIMITED

YEAR ENDED 30 JUNE 2020

REPORT OF THE DIRECTORS

The Directors hereby submit their Report and the accounts for the year ended 30 June 2020.

Principal activities

The principal activities of the Company are that of finance lessor, renting equipment through the consumer offerings 'Flexible Leasing' and 'Upgrade Everytime' to lessee consumers introduced by Carphone Warehouse, part of the Dixons Carphone group. The Company is a Special Purpose Vehicle that purchases lease agreements from its sister company RentSmart Limited ("RentSmart") that originates and services the leases on its behalf. From August 2020 the Company is no longer purchasing any new lease agreements but will continue to collect out the lease agreements that it previously purchased. It is expected that this activity will continue until November 2022 at which point the Company will cease trading. The lease receivables were funded through a £20m loan facility to 2 October 2020 with Secure Trust Bank. This facility was terminated on 2 October 2020 with the lease receivables now being funded by an inter-company loan from ThinkSmart Europe Ltd.

Business review

The volume of new Flexible Leasing agreements originated in the year was significantly lower than the same period last year. As announced on 29 November 2019, RentSmart issued a claim against Carphone Warehouse in respect of the Flexible Leasing contract and its predecessor Upgrade Everytime contract. After the reporting date it was announced that RentSmart has agreed a settlement in relation to these contracts. As part of this settlement, RentSmart has agreed to the orderly winding up of all its agreements with Dixons Carphone ("DC") including Flexible Leasing.

The business delivered a loss after tax for the year of £181,623 (2019: profit of £60,765) which increased the equity shareholders deficit to £189,257 (2019: £7,634).

Basis of preparation

As per the settlement with DC, from August 2020 the Company will no longer purchase any new lease agreements but will continue to collect out the lease agreements that it purchased prior to that point. It is expected that this activity will continue until November 2022 at which point the Company will cease trading. As a result, the directors have prepared the financial statements on a basis other than going concern. No adjustments have been made to the financial statements as a result of being prepared on a basis other than going concern.

Directors

The directors who held office during the year and up to the date of this report, were as follows:

N Montarello
G Halton

Political and charitable contributions

The Company made no political or charitable donations during the year ended 30 June 2020 (2019: £nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this director's report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and the directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors have also taken advantage of the small companies' exemption from the requirement to prepare a strategic report.

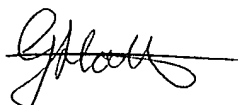
THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

REPORT OF THE DIRECTORS (continued)

Auditor

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

By order of the board



Gary Halton

Director

7th Floor Oakland House,
Talbot Road, Old Trafford,
Manchester, M16 0PQ

Date: 11 December 2020

THINKSMART UK LIMITED

YEAR ENDED 30 JUNE 2020

STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- have prepared these financial statements on a basis other than going concern as they intend to cease operations, or have no realistic alternative but to do so (see note 1.3 in the notes to the financial statements), following the orderly wind up of existing contracts.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THINKSMART UK LIMITED

Opinion

We have audited the financial statements of ThinkSmart UK Limited ("the Company") for the year ended 30 June 2020 which comprise the statement of total comprehensive income, the balance sheet, the statement of changes in equity and, 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 101 *Reduced Disclosure Framework* (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 30 June 2020 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.

Emphasis of matter – Financial statements prepared on a basis other than that of a going concern

We draw attention to Note no. 1.3 to the financial statements which explains that the company will discontinued to undertake any new lease contracts from August 2020 and exist only to collect out rentals from existing lease contracts until November 2022, at which point the Company will cease trading. Therefore the Directors do not consider the company to be a going concern. Accordingly, the financial statements have been prepared on a basis other than that of going concern as described in Note no. 1.3. Our opinion is not modified in this respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in annual 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.

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THINKSMART UK LIMITED
(continued)**

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 take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities in respect of the Directors' report and the Financial statements, 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

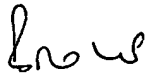
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THINKSMART UK LIMITED
(continued)**

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.



Julien Rye (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester, UK
11 December 2020

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

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

STATEMENT OF TOTAL COMPREHENSIVE INCOME

	Notes	30 June 2020	30 June 2019
		£	£
Turnover	2	227,838	897,506
Gross profit		<u>227,838</u>	<u>897,506</u>
Administrative expenses		(358,707)	(400,813)
Impairment losses	6	<u>(7,696)</u>	<u>(280,623)</u>
Operating (loss)/profit		(138,565)	216,070
Interest receivable		122	139
Interest payable		<u>(43,180)</u>	<u>(155,444)</u>
(Loss)/Profit before tax		(181,623)	60,765
Tax on profit/(loss) on ordinary activities	3	-	-
(Loss)/Profit for the financial year		<u>(181,623)</u>	<u>60,765</u>
Other comprehensive income net of income tax		-	-
Total comprehensive (loss)/profit for the financial year		<u>(181,623)</u>	<u>60,765</u>

The profit for the period is derived from continuing operations.

The notes on pages 10 to 16 form an integral part of these financial statements.

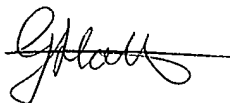
THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

BALANCE SHEET

	Notes	30 June 2020	30 June 2019
		£	£
Current assets			
Finance lease receivable		414,313	2,326,221
Cash at bank & in hand		360,482	198,658
Debtors		95,807	25,984
		<u>870,602</u>	<u>2,550,863</u>
Non-current assets			
Finance lease receivable		15,142	755,836
Tangible assets	5	-	-
		<u>15,142</u>	<u>755,836</u>
Creditors: amounts falling due within one year			
Borrowing from Bank	7	-	1,770,511
Intercompany creditors	8	501,337	500,000
Creditors		573,664	389,983
		<u>1,075,001</u>	<u>2,660,494</u>
Creditors: amounts falling due after more than one year			
Borrowing from Bank	7	-	631,869
Intercompany creditors	8	-	21,970
Total non-current liabilities		-	653,839
Net liabilities		<u><u>(189,257)</u></u>	<u><u>(7,634)</u></u>
Capital and reserves			
Called up share capital	9	250,000	250,000
Profit and loss account		(439,257)	(257,634)
Equity shareholders' deficit		<u><u>(189,257)</u></u>	<u><u>(7,634)</u></u>

The notes on pages 10 to 16 form an integral part of these financial statements.

The financial statements on pages 7 to 16 were approved by the board of directors on 11 December 2020 and were signed on its behalf by:



Gary Halton (Director)

Company Number 06228172

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

STATEMENT OF CHANGES IN EQUITY

	Fully paid ordinary shares	Accumulated profit & loss	Total Equity
	£	£	£
Balance at 1 July 2018	250,000	(318,399)	(68,399)
Profit for the year	-	60,765	60,765
Other comprehensive income net of income tax	-	-	-
Total comprehensive income for the financial year	<u>250,000</u>	<u>(257,634)</u>	<u>(7,634)</u>
Issue of Share Capital	-	-	-
Balance at 30 June 2019	<u>250,000</u>	<u>(257,634)</u>	<u>(7,634)</u>
Balance at 1 July 2019	250,000	(257,634)	(7,634)
Loss for the year	-	(181,623)	(181,623)
Other comprehensive income net of income tax	-	-	-
Total comprehensive income for the financial year	<u>250,000</u>	<u>(439,257)</u>	<u>(189,257)</u>
Issue of Share Capital	-	-	-
Balance at 30 June 2020	<u>250,000</u>	<u>(439,257)</u>	<u>(189,257)</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

THINKSMART UK LIMITED

YEAR ENDED 30 JUNE 2020

NOTES TO FINANCIAL STATEMENTS

1. Accounting policies

ThinkSmart UK Limited (the "Company") is a private company limited by shares incorporated and domiciled in England and Wales. The Company's registered office is 7th Floor, Oakland House, Talbot Road, Old Trafford, Manchester, M16 0PQ.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, ThinkSmart Limited incorporated in Australia and listed on the Alternative Investment Market ("AIM") a sub-market of the London Stock Exchange, includes the Company in its consolidated financial statements. The consolidated financial statements of ThinkSmart Limited prepared in accordance with both Australian Accounting Standards and International Financial Reporting Standards are available to the public and may be obtained from Suite 5, 531 Hay Street, SUBIACO, WA 6008, Australia. In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy, the correction of error, or the reclassification of items in the financial statements;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of ThinkSmart Ltd include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.2 Measurement convention

The Company's functional and presentation currency is GBP. All amounts in these financial statements are rounded to the nearest £1. The financial statements are prepared on the historical cost basis. Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell.

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

NOTES TO FINANCIAL STATEMENTS (continued)

1.3 Financial statements prepared on a basis other than going concern

As per the settlement with DC, from August 2020 the Company will no longer purchase any new lease agreements but to continue to collect out the lease agreements that it purchased prior to that point. It is expected that this activity will continue until November 2022 at which point the Company will cease trading. Therefore, the directors do not consider the company to be a going concern. As a result, the directors have prepared the financial statements on a basis other than going concern. No adjustments have been made to the financial statements as a result of being prepared on a basis other than going concern.

1.4 Taxation

The charge for taxation is based on the profit/(loss) for the year.

1.5 Finance Lease Receivable

The Company has entered into or received full beneficial interest of financing transactions with customers and has classified its leases as finance leases for accounting purposes. Under a finance lease, substantially all the risks and benefits incidental to the ownership of the leased asset are transferred by the lessor to the lessee. The Company recognises at the beginning of the lease term an asset at an amount equal to the aggregate of the present value (discounted at the interest rate implicit in the lease) of the minimum lease payments and the value of any guaranteed residual value expected to accrue to the benefit of the Company at the end of the lease term. This asset represents the Company's net investment in the lease.

Unearned finance lease income

Unearned interest on leases and other receivables is brought to account over the life of the lease contract based on the interest rate implicit in the lease using the effective interest rate method.

Initial direct transaction income and costs

Initial direct income/costs or directly attributable, incremental transaction income/costs incurred in the origination of leases are included as part of receivables in the balance sheet and are amortised in the calculation of lease income and interest income.

Allowance for expected credit losses

The collectability of lease receivables is assessed on an ongoing basis. A provision is made for expected credit losses using the simplified approach of measuring expected credit losses on a lifetime expected credit loss basis.

Impairment of lease receivable

The Company recognises a loss allowance for expected credit losses on lease receivables which are measured at fair value through profit or loss. The Company applies the simplified approach to measurement of credit losses and as such the loss allowance is based on the asset's lifetime expected credit losses. The measurement of the loss allowance is based on reasonable and supportable information that is available, without undue cost or effort to obtain.

The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in profit and loss when an asset is either non recoverable or has suffered arrears of at least 91 days.

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

NOTES TO FINANCIAL STATEMENTS (continued)

2. Turnover

Turnover, all of which arose from activities within the United Kingdom, represents income from rental agreements and from associated services.

Operating lease income (Upgrade Everytime)

In accordance with IFRS 16 the contracts are considered to be operating leases and the only source of revenue is Operating Lease Income. This Operating Lease Income is recognised on a straight-line basis over the lease term as the payments become receivable.

Finance lease income (Flexible Leasing)

In accordance with IFRS 16 the contracts are considered to be finance leases and the only source of revenue is Finance Lease Income. This Finance Lease Income is recognised on the effective interest rate method at the constant rate of return. This method amortises the lease asset over its economic life down to the estimate of any unguaranteed residual value that is expected to be accrued to the Company at the end of the lease.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

	30 June 2020	30 June 2019
	£	£
Lease income	211,691	877,890
Other fee revenue - customer	16,147	19,616
	<u>227,838</u>	<u>897,506</u>

2.2 Future minimum lease payments

	30 June 2020	30 June 2019
	£	£
Less than one year	202,423	1,976,542
Between one and five years	7,412	642,218
	<u>209,835</u>	<u>2,618,760</u>

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

NOTES TO FINANCIAL STATEMENTS (continued)

3. Tax on loss on ordinary activities

	30 June 2020	30 June 2019
	£	£
Current tax credit/(charge) on profit/(loss) for the year	-	-
Reconciliation of effective tax rate		
Accounting profit/(loss) before tax	(181,623)	60,765
Tax using the UK corporation tax rate*	34,508	(11,545)
Losses surrendered as group relief for nil consideration	(33,062)	-
Unrecognised tax losses carried forward	(1,446)	-
Utilisation in year of unrecognised tax losses brought forward	-	11,545
Current tax credit/(charge) on profit/(loss) for the year	-	-

Temporary differences and losses on which deferred tax not recognised at 30 June 2020 amounted to £265,246 (2019: £257,634).

*The Finance Act 2015 reduced the main rate of corporation tax from 20% to 19% from 1 April 2017. The Finance Act 2020 retains the current rate of 19% for financial years starting 1 April 2020 and 1 April 2021.

4. Auditor's remuneration:

The auditor's remuneration is borne by RentSmart Limited.

5. Tangible assets

Cost	IT Equipment £
At 1 July 2018	30,411
Additions	-
Balance at 30 June 2019	<u>30,411</u>
At 1 July 2019	30,411
Additions	-
Balance at 30 June 2020	<u>30,411</u>

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

NOTES TO FINANCIAL STATEMENTS (continued)

Accumulated depreciation

At 1 July 2018	21,151
Charge for the year	9,260
Impairment loss	-
Balance at 30 June 2019	<u>30,411</u>
At 1 July 2019	30,411
Charge for the year	-
Impairment loss	-
Balance at 30 June 2020	<u>30,411</u>

Net Book Value

At 30 June 2020	<u>-</u>
At 30 June 2019	<u>-</u>

6. Expected credit losses

	30 June 2020	30 June 2019
	£	£
Balance at 1 July	230,072	264,234
Impairment charge to profit or loss	7,696	280,623
Bad debts written off	<u>(178,763)</u>	<u>(314,785)</u>
Balance at 30 June	<u>59,005</u>	<u>230,072</u>

7. Borrowing from Bank

	30 June 2020	30 June 2019
	£	£
Current - Loan advances	-	1,944,691
Non-current - Loan advances	-	631,869

In November 2016 a 3 year loan facility up to £20m was signed with STB to fund the purchase of smartphones for the sole purpose of leasing. In October 2017 this loan facility was extended to 2 October 2020. In accordance with the amended agreement the remaining loan balance was repaid on 2 October 2020 (see note 12).

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

NOTES TO FINANCIAL STATEMENTS (continued)

8. Intercompany creditors

	30 June 2020	30 June 2019
	£	£
ThinkSmart Europe Limited	500,000	500,000
RentSmart Limited	1,337	21,970
	<u>501,337</u>	<u>521,970</u>
Intercompany creditors due within 12 months	501,337	500,000
Intercompany creditors due greater than 12 months	-	21,970
	<u>501,337</u>	<u>521,970</u>

The Company is a Special Purpose Vehicle that purchases lease agreements from its sister company RentSmart Ltd that originates and services the leases on its behalf. RentSmart charges the Company a transaction fee for the work involved in generating the lease agreements and also charges the Company an annual rate of 9% interest on the outstanding unsecured loan each month. The intercompany loans have no fixed repayment date and are due on demand. The loan from Thinksmart Europe is interest free. The directors of the ultimate parent company, Thinksmart Limited, have indicated that intragroup loans will not be recalled until such time that the borrower is in a position to repay the loan.

9. Called up share capital

	30 June 2020	30 June 2019
	£	£
<i>Allotted, called up and fully paid</i>		
250,000 (2019: 250,000) ordinary authorised shares of £1 (2019: £1) each	250,000	250,000
Shares classified in shareholders' funds	250,000	250,000

10. Related parties

The Company has taken advantage of the exemption under FRS 101 paragraph 8(k) 8(j) not to disclose key management personnel compensation or transactions and amounts due to and from fellow group companies that are wholly owned by the ultimate parent company, ThinkSmart Limited.

11. Ultimate parent undertaking

100% of the share capital of ThinkSmart UK Limited is held by ThinkSmart Europe Limited, whose ultimate parent company is ThinkSmart Limited. ThinkSmart Limited is incorporated in Australia, and is the largest group in which the results of ThinkSmart UK Limited are included. Copies of these group accounts are available from Suite 5, 531 Hay Street, SUBIACO, WA 6008, Australia.

THINKSMART UK LIMITED
YEAR ENDED 30 JUNE 2020

NOTES TO FINANCIAL STATEMENTS (continued)

12. Events occurring after balance sheet date

On 2 October 2020 the Company withdrew the balance of £7,452.20 from the STB Receivables Finance Facility at the agreed termination date. The Receivable Finance Facility is now terminated. The Company will continue to collect out the lease agreements as normal with the amounts collected from customers being transferred to the Company rather than to STB.

In November 2019, one the of the ThinkSmart Group companies, RentSmart Ltd (RentSmart), issued a claim against The Carphone Warehouse Ltd (part of the Dixons Carphone plc group (DC)) in respect of the Flexible Leasing contract and its predecessor Upgrade Everytime contract. The Group announced on 10 August 2020 that it had agreed a settlement in relation to these contracts. As part of this settlement, RentSmart has agreed with DC to the orderly winding up of all its agreements with DC including Flexible Leasing.

There has not arisen, in the interval between the end of the financial period and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.