

Company Registration No: 07988346

**THE SHARE REPUBLIC LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2016**

**UHY** Hacker Young  
Chartered Accountants

THURSDAY



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**THE SHARE REPUBLIC LIMITED  
FOR THE YEAR ENDED 31 MAY 2016**

**COMPANY INFORMATION**

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<b>Directors</b>	Mr Geoffrey Hoodless Mrs Vola Parker
<b>Secretary</b>	Mr Geoffrey Hoodless
<b>Company number</b>	07988346
<b>Registered office</b>	Quadrant House 4 Thomas More Square London E1W 1YW
<b>Auditors</b>	UHY Hacker Young LLP Quadrant House 4 Thomas More Square London E1W 1YW

**THE SHARE REPUBLIC LIMITED  
FOR THE YEAR ENDED 31 MAY 2016**

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**THE SHARE REPUBLIC LIMITED****STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MAY 2016**

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**Review of business**

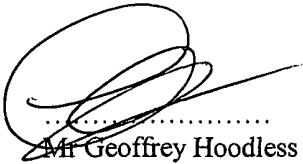
Your directors have reviewed numerous corporate financial opportunities, but the low level of corporate finance revenue reflects the current economic environment, and the company's primary goal of developing an electric dealing platform.

The Company was created with the intention to develop, build and exploit an online, interest based, securities trading platform, so that private (retail) customers could buy and sell securities, initially on the UK stock exchanges.

The principle risks and uncertainties relate to the ability to successfully launch the electronic dealing platform and to generate sufficient customer levels and income to exceed the cost base.

During the year, The Share Republic converted back from a plc to a limited company.

On behalf of the board



.....  
Mr Geoffrey Hoodless

**Director**

*..20... September 2016*

**THE SHARE REPUBLIC LIMITED****DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MAY 2016**

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The directors present their report and consolidated financial statements for the year ended 31 May 2016.

**Principal activity**

The principal activity of its wholly owned subsidiary The Share Republic.com Limited is that of corporate finance advisory services. The Share Republic.com Limited is authorised and regulated by the Financial Conduct Authority.

The directors have reviewed numerous corporate finance opportunities, but the low level of corporate finance revenue reflects the current economic environment, and the company's primary goal of developing an electronic dealing platform.

**Directors' responsibilities for the accounts**

The directors are responsible for preparing the Strategic Report, 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 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). 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 accounting estimates that are reasonable and prudent;
- 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 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.

**Results and dividends**

The results for the period are set out in the consolidated profit and loss account on page 7. The directors do not recommend payment of a dividend. Retained losses of £8,529 have been transferred to reserves.

**THE SHARE REPUBLIC LIMITED****DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MAY 2016**

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**Directors and shareholdings**

The directors who held office during the year were:

Mr Geoffrey Hoodless  
Mrs Vola Parker

**Statement of disclosure to auditors**

So far as the directors are aware, at the time of approval of their report:

- There is no relevant audit information of which the company's auditors are unaware; and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

In accordance with Section 487 (2) of the Companies Act 2006, a resolution proposing that UHY Hacker Young LLP be re-appointed as auditors of the company will be put to the Annual General Meeting.

**Future development**

The company plans to realise the value of the investment, by way of initiating the trading platform or via a third party sale of the platform.

By order of the board



Mr Geoffrey Hoodless  
**Director**

*20 September 2016*

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF THE SHARE REPUBLIC LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of The Share Republic Plc on pages 7 to 20 for the year ended 31 May 2016, which comprise the Consolidated Statement of Total Comprehensive Income, Consolidated and Company Statements of Financial Position, Consolidated and Company Statements of Changes in Equity, Consolidated Cash Flow Statement and the related notes. 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 Part 3 of Chapter 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 auditors**

As explained more fully in the Directors' Responsibilities Statement on page 3, 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**

A description of the scope of an audit of financial statements is provided on the FRC's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the company's affairs as at 31 May 2016 and of the group's 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.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF THE SHARE REPUBLIC LIMITED**

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**Emphasis of matter – Intangible assets and investments**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 7 and in note 9 to the financial statements. The directors have valued their online share trading platform at cost, without any impairment. This valuation is based upon the belief that once live, the platform shall earn revenues to cover the cost of investment (its value in use), or that the platform shall be sold for at least the cost recognised (its recoverable amount). The valuation of the platform also supports the value of the investment, from the company perspective.

Should the platform not generate the stated value, an impairment would be required. No impairment has been recognised in these accounts.

**Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.2 to the financial statements concerning the company's going concern status. If the company is not able to realise the value of the intangible, the going concern status of the company shall be in doubt. However, the directors have obtained confirmations that support from the shareholders shall be forthcoming, if required. The value of the intangible is still uncertain, but as the shareholders have provided confirmation of support, the 2016 accounts have been prepared on the going concern basis.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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.

*UHY Hacker Young*

**Daniel Hutson (Senior Statutory Auditor)  
For and on behalf of UHY Hacker Young**

**Chartered Accountants  
Statutory Auditor**

*20 September 2016*



**CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2016**

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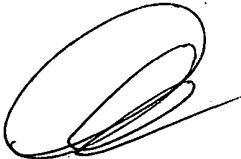
	Notes	2016 £	2015 £
Turnover	3	-	7,500
Administrative expenses		(8,529)	(13,795)
<b>Loss on ordinary activities before taxation</b>		<u>(8,529)</u>	<u>(6,295)</u>
Tax on loss on ordinary activities	5	-	-
<b>Loss for the financial year</b>	4	<u>(8,529)</u>	<u>(6,295)</u>
<b>Total comprehensive expense</b>		<u><u>(8,529)</u></u>	<u><u>(6,295)</u></u>

The consolidated profit and loss account has been prepared on the basis that all operations are continuing operations.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MAY 2016**

	Notes	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Intangible assets	7		93,097		93,097
Tangible assets	8		-		-
			<u>93,097</u>		<u>93,097</u>
<b>Current assets</b>					
Debtors	10	-	-	-	-
Cash at bank and in hand		8,445		16,354	
		<u>8,445</u>		<u>16,354</u>	
<b>Creditors: amounts falling due within one year</b>	11	(25,639)		(25,019)	
<b>Net current liabilities</b>			<u>(17,194)</u>	<u>(8,665)</u>	
<b>Total assets less current liabilities</b>			<u>75,903</u>	<u>84,432</u>	
<b>Capital and reserves</b>					
Called up share capital	13		60,052		60,052
Share premium account	14		24,700		24,700
Profit and loss account	14		(120,098)		(111,569)
Merger reserve	14		111,249		111,249
			<u>75,903</u>		<u>84,432</u>
<b>Shareholders' funds</b>			<u>75,903</u>		<u>84,432</u>

Approved by the board on *20<sup>th</sup> September 2016* and signed on its behalf by:




Mr Geoffrey Hoodless  
 Company No: 07988346

**COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2016**

	Notes	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Investments	9		99,752		99,752
			99,752		99,752
<b>Current assets</b>					
Cash at bank and in hand		3,313		3,343	
		3,313		3,343	
<b>Creditors: amounts falling due within one year</b>	11	(32,379)		(28,359)	
<b>Net current liabilities</b>			(26,246)		(25,016)
<b>Total assets less current liabilities</b>			70,686		74,736
<b>Capital and reserves</b>					
Called up share capital	13		60,052		60,052
Share Premium account	14		24,700		24,700
Profit and loss account	14		(14,066)		(10,016)
<b>Shareholders' funds</b>			70,686		74,736

Approved by the board on 20<sup>th</sup> September 2016 and signed on its behalf by:



Mr Geoffrey Hoodless  
Company No: 07988346

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
AS AT 31 MAY 2016**


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	<b>Called-up Share options</b>	<b>Share premium account</b>	<b>Profit &amp; loss account</b>	<b>Merger reserve</b>	<b>Total</b>
	£	£	£	£	£
At 1 June 2014	60,052	24,700	(105,274)	111,249	90,727
Loss for the year	-	-	(6,295)	-	(6,295)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2015	60,052	24,700	(111,569)	111,249	84,432
Loss for the year	-	-	(8,529)	-	(8,529)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2016	<u>60,052</u>	<u>24,700</u>	<u>(120,098)</u>	<u>111,249</u>	<u>75,903</u>

**COMPANY STATEMENT OF CHANGES IN EQUITY  
AS AT 31 MAY 2016**

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	<b>Called-up Share options</b>	<b>Share premium account</b>	<b>Profit &amp; loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 June 2014	60,052	24,700	(7,886)	76,866
Loss for the year	-	-	(2,130)	(2,130)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2015	60,052	24,700	(10,016)	74,735
Loss for the year	-	-	(4,050)	(1,230)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2016	<u>60,052</u>	<u>24,700</u>	<u>(11,246)</u>	<u>73,506</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MAY 2016**

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		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>			
Cash absorbed by operations	17	(7,909)	(1,420)
<b>Net cash generated from investing activities</b>		-	-
<b>Net cash used in financing activities</b>		-	-
<b>Net (decrease) in cash and cash equivalents</b>		(7,909)	(1,420)
<b>Cash and cash equivalent at the beginning of the year</b>		16,354	17,774
		<hr/>	<hr/>
<b>Cash and cash equivalent at end of the year</b>		<u>8,445</u>	<u>16,354</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**

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**1. Company information**

The Share Republic Limited is a company limited by shares incorporated in England and Wales. The Share Republic Limited converted back from a plc part way through the year. The registered office is Quadrant House, 4 Thomas More Square, London E1W 1YW.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 May 2016 are the first financial statements of The Share Republic Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2014. The last financial statements in accordance with the prior financial reporting framework were for the year ended 31 May 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

**1.2 Principal accounting policies****a) Going concern**

As at 31 May 2016 the Group had net assets of £75,903 (2015: £84,432) and the directors are satisfied that the going concern basis is appropriate for the preparation of these financial statements as they consider that the support of the shareholders will be forthcoming as and when required. The shareholders have confirmed their willingness to provide such support.

The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

**b) Consolidation**

The financial statements consolidate the accounts of the company and its subsidiary undertakings and have been prepared by using the principles of merger accounting. The Group was formed following a share for share exchange exercised on 2 August 2013 between the company and the Share Republic.com Limited which is considered to meet the requirements of FRS 102 Section 19 to be accounted for as a merger. Accordingly a merger reserve has been created to represent the difference between the value of the shares issued and the nominal value of the share capital and share premium account in the subsidiary.

Intra-group balances are eliminated fully on consolidation.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**

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**1.2 Principal accounting policies (continued)****c) Turnover**

Turnover represents fees for undertaking corporate finance transactions net of VAT. Turnover is recognised when the Group is contractually entitled to do so.

**d) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write-off the cost less estimated residual value of each asset, over its expected useful life as follows:-

Fixtures and fittings                      - 3 years straight line

**e) Intangible fixed assets**

Intangible fixed assets relate to capitalised development costs in respect of an online trading platform and are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life from the date that the platform is brought into use, as follows:

Trading platform                              - 5 years straight line

**f) Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**g) Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and section 12 'Other financial Issues' FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic Financial Assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.



**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**

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**1.2 Principal accounting policies (continued)****Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

**Basic Financial liabilities**

Basic financial liabilities, including creditors, are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as on-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**h) Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**2. Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

***Intangible fixed assets***

Intangible fixed assets relate to capitalised development costs in respect of an online trading platform and are stated at cost less amortisation. The platform is assessed for impairment where there is any indication that the asset has suffered an impairment loss. The recoverable amount is assessed as the high of fair value less costs to sell and value in use.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**


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**3. Turnover**

The total turnover of the Group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

**4. Operating loss**

Operating loss is stated after charging:

2016	2015
£	£

Fees payable to the company's auditors for the audit of the annual accounts

3,350	3,000
<u>3,350</u>	<u>3,000</u>

**5. Tax on loss on ordinary activities**

2016	2015
£	£

Corporation tax  
- current period

-	-
<u>-</u>	<u>-</u>

Tax charge

-	-
<u>-</u>	<u>-</u>

2016	2015
£	£

Factors affecting the tax charge for the year:

Loss on ordinary activities before taxation

(8,529)	(6,295)
<u>(8,529)</u>	<u>(6,295)</u>

Loss on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 20% (2015: 20%)

(1,706)	(1,295)
<u>(1,706)</u>	<u>(1,295)</u>

Effects of:

Other tax adjustments

1,706	1,295
<u>1,706</u>	<u>1,295</u>

1,706	1,295
<u>1,706</u>	<u>1,295</u>

Current tax charge for the year

-	-
<u>-</u>	<u>-</u>

The Group have trading losses of approximately £111,000 to carry forward against future profits.

**6. Holding company profit and loss account**

The Company has taken advantage of the legal dispensation granted under S.408 of the Companies Act 2006 allowing it not to present its own profit and loss account. The retained loss for the year of £4,020 (2015: £2,130) has been dealt with in the accounts of the Company.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**

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**7. Intangible fixed assets**

	<b>Development costs</b>
	<b>£</b>
<b>Cost</b>	
As at 1 June 2015 and 31 May 2016	93,097
<b>Net book value</b>	
As at 1 June 2015 and 31 May 2016	<u>93,097</u>

Amounts classified as intangible assets relate to the development of an online share trading platform. The directors hold the view that the policy to capitalise this expenditure reflects the purpose and long-term usefulness of the platform. The directors also believe that the cost does not require impairment, as the value of the platform shall be realised through use, by generating future revenues, or by sale.

**8. Tangible fixed assets**

	<b>Fixtures, fittings &amp; equipment</b>
	<b>£</b>
<b>Cost</b>	
As at 1 June 2015 and 31 May 2016	1,750
<b>Depreciation</b>	
As at 1 June 2015 and 31 May 2016	1,750
<b>Net book value</b>	
As at 1 June 2015 and 31 May 2016	<u>-</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**

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**9. Fixed asset investments****The Company**

	<b>Shares in subsidiary undertakings £</b>
<b>Cost</b>	
1 June 2015 and 31 May 2016	99,752
	<u><u>99,752</u></u>

In the opinion of the directors, the aggregate value of the investment in the subsidiary undertaking is not less than the carrying amount. The recovery of the investment will be achieved through use or sale of the share trading platform, as set out in note 7.

A summary of the subsidiary undertakings is shown below:

<b>Name of undertaking</b>	<b>Country of registration or incorporation</b>	<b>% of capital held</b>	<b>Nature of business</b>
Held directly:			
The Share Republic.com Ltd	UK	100%	Corporate finance advisory
TSRC Nominees Ltd	UK	100% (indirectly)	Dormant

**10. Debtors**

	<b>2016</b>		<b>2015</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	6,530	-	6,530	-
Provision	(6,530)	-	(6,530)	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The provision for doubtful debts is in respect of a significantly aged trade debtor. Whilst the directors believe that the amount may ultimately be recoverable, due to the long term nature of the outstanding balance, a provision has been recognised.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**
**11. Creditors: amounts falling due within one year**

	2016		2015	
	Group	Company	Group £	Company £
Amounts owed to subsidiary undertakings	-	12,128	-	10,928
Trade creditors	631	631	631	631
Other creditors	19,038	15,000	19,038	15,000
Accruals and deferred income	5,970	4,620	5,350	1,800
	<u>25,639</u>	<u>29,559</u>	<u>25,019</u>	<u>28,359</u>

Included within other creditors is a loan of £15,000 from Eurico Oscar Da Conceicao dos Santos Covas and Geoffrey Hoodless to facilitate the acquisition of shares in The Share Republic.com Limited. The loan is unsecured and is convertible into ordinary shares at the behest of the creditors into ordinary shares in the company as a price of £0.08 per share up to 31 August 2022.

Included within "other creditors" is an amount owed to the director, Geoffrey Hoodless, of £4,039 (2015: £4,039).

**12. Financial instruments**

	2016 £	2015 £
<b>Group</b>		
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>25,639</u>	<u>25,019</u>
<b>Company</b>		
<b>Carrying amounts of financial assets</b>		
Equity instrument measured at cost less impairment	<u>99,752</u>	<u>99,752</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>29,559</u>	<u>28,359</u>

**13. Called up share capital**

	2016 £	2015 £
<b>Allotted, called up and fully paid:</b>		
6,005,200 ordinary shares of £0.01 each	<u>60,052</u>	<u>60,052</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2016**

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**14. Reserves**

*Called-up share capital:* represents the nominal value of shares that have been issued.

*Share premium account:* includes any premiums received on issue of share capital. Any transaction costs associated with the issue of shares are deducted from share premium.

*Profit and loss account:* includes all current and prior period retained profits and losses.

*Merger reserve:* represents the difference between the value of the shares issued and the nominal value of the share capital and share premium account in the subsidiary.

**15. Employees****Number of employees**

There were no employees during the year apart from the directors and no remuneration has been paid.

**16. Control**

The Company is not controlled by any one party.

**17. Reconciliation of operating loss to net cash outflow from operating activities**

	2016 £	2015 £
Operating loss	(8,529)	(6,295)
Decrease in debtors	-	6,530
Increase/(decrease) in creditors	620	(1,655)
	<hr/>	<hr/>
Net cash outflow from operating activities	<u>(7,909)</u>	<u>(1,420)</u>

**18. Related Parties**

The company has taken advantage of the exemption available in FRS 102 Section 33 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

There were no other related party transactions in the period other than those disclosed in note 11.