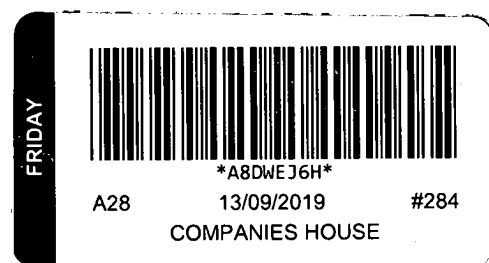


COMPANY REGISTRATION NUMBER: 09221862

Clear Score Technology Limited
Annual Report and Financial Statements
For the year ended 31 December 2018



Clear Score Technology Limited
Annual Report and Financial Statements
Year ended 31 December 2018

Contents	Page
Strategic Report	1
Directors' Report	3
Independent Auditors' Report to the members of Clear Score Technology Limited	5
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12

Clear Score Technology Limited

Strategic Report

Year ended 31 December 2018

The directors present their Strategic Report for the year ended 31 December 2018.

Principal activities

The principal activity of Clear Score Technology Limited ("the Company") is the provision of a website where consumers are provided with free access to their credit report and score, and then introduced to relevant financial products based on their eligibility. The Company does not lend money or provide financial products itself.

Business review

In the year to 31 December 2018 the Company recorded revenue of £42.4 million (2017: £27.6 million), an increase of 54%. The operating profit of £1.34m is a significant increase compared to the £0.1m operating profit recorded in 2017 and reflects a profitable H2.

The increase in revenue is indicative of the investment made by the Company across all business areas, geared towards improving the ClearScore experience for both new and existing users. The average headcount increasing from 88 to 135 is indicative of the additional resource that has been made available to the business.

As at 31 December 2018 the Company had net liabilities of £9.3 million (2017: £12.4 million).

Future developments of the Company

The Company has seen no change in its business activity post year end and the financial performance has been as expected.

On 15 March 2018 Experian plc agreed to acquire the 100% of the share capital of Credit Laser Holdings Limited (the ultimate parent company of Clear Score Technology Limited), subject to regulatory approval by the Competition & Markets Authority and the Financial Conduct Authority. The deal was formally abandoned on 26 February 2019.

Principal risks and uncertainties

The Company recognises and believes that actively managing current and future risk exposure is an integral part of a sound management practice and is vital to the success of its business. It is the policy of the board of directors and a responsibility of executive management to adopt a proactive approach to the management of all risks that impact on the Company's strategies, operations, regulatory compliance and the achievement of its business objectives.

The key operational risks faced by the Company are information security, increasing competition, market pressure, and compliance risk.

The board considers that tailored risk management principles is the preferred method to address the risk management challenges arising from the Company's activities.

Key performance indicators

The Company measures and monitors a number of key performance indicators, the most important of which are revenue and operating profit, as detailed above. Another key area of performance monitored by management is the review of service performance by the Company in improving user experience.

Clear Score Technology Limited

Strategic Report

Year ended 31 December 2018

Directors

This report was approved by the board of directors on 18/04/2019..... and signed on behalf of the board by:



Mr J S M Basini
Director

Clear Score Technology Limited

Directors' Report

Year ended 31 December 2018

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2018.

Future Developments

The nature of the business is not expected to change going forward

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Mr M J Onyett
Mr M K Badale
Mr J S M Basini
Mr D O Cobley
Mr N W Morris
Mr J M Reidy

Directors' indemnities

During the financial year and at the date of approval of these financial statements, the Company has provided an indemnity for certain directors of the Company, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006. The Company also maintains directors' and officers' liability insurance.

Dividends

The directors do not recommend the payment of a dividend (2017: nil).

Research and development

The company undertakes research and development activities in the production of its website, by making advancements in technology.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Clear Score Technology Limited

Directors' Report

Year ended 31 December 2018

The directors 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 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.

Statement of disclosure of information to auditors

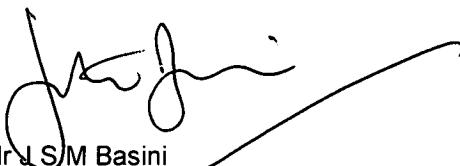
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have 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 auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

The financial statements on pages 8 to 20 were approved by the board of directors on 19/04/2019... and signed on behalf of the board by:



Mr J S M Basini
Director

Registered office:
47 Durham Street
London
UK
SE11 5JA

Clear Score Technology Limited

Independent Auditors' Report to the members of Clear Score Technology Limited

Report on the audit of the financial statements

Opinion

In our opinion, Clear Score Technology Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2018; the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended; and the Notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy

Clear Score Technology Limited

Independent Auditors' Report to the members of Clear Score Technology Limited

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

Clear Score Technology Limited

Independent Auditors' Report to the members of Clear Score Technology Limited

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Louise Lazarus (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
(8 April 2019)

Clear Score Technology Limited

Statement of Comprehensive Income

Year ended 31 December 2018

	Note	2018 £	2017 £
Turnover	5	42,392,126	27,552,509
Cost of sales		<u>(10,490,825)</u>	<u>(7,997,017)</u>
Gross profit		31,901,301	19,555,492
Administrative expenses		<u>(30,557,825)</u>	<u>(19,438,120)</u>
Operating profit		1,343,476	117,372
Interest payable and similar expenses	9	<u>(185,230)</u>	<u>(118,432)</u>
Profit/(loss) before taxation	6	1,158,246	(1,060)
Tax on profit/(loss)	10	<u>1,618,506</u>	-
Profit/(loss) for the financial year and total comprehensive expense		<u>2,776,752</u>	<u>(1,060)</u>

All the activities of the Company are from continuing operations.

The Company has no other recognised items of income and expenses other than the results for the years as set out above.

The notes on pages 12 to 20 form part of these financial statements.


Clear Score Technology Limited

Statement of Financial Position

As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	11	850	1,750
Tangible assets	12	<u>506,025</u>	<u>327,016</u>
		506,875	328,766
Current assets			
Debtors	13	11,308,800	11,303,154
Cash at bank and in hand		<u>7,793,718</u>	<u>12,681,531</u>
		19,102,518	23,984,685
Creditors: amounts falling due within one year	14	<u>(28,861,040)</u>	<u>(36,716,964)</u>
Net current liabilities		(9,758,522)	(12,732,279)
Total assets less current liabilities		(9,251,647)	(12,403,513)
Net liabilities		(9,251,647)	(12,403,513)
Capital and reserves			
Called up share capital	18	1	1
Other reserves		1,017,427	642,313
Profit and loss account		<u>(10,269,075)</u>	<u>(13,045,827)</u>
Total shareholders' deficit		(9,251,647)	(12,403,513)

These financial statements on pages 8 to 20 were approved by the board of directors and authorised for issue on 18.04.2019, and are signed on behalf of the board by:



Mr J S M Basini
Director

Company registration number: 09221862

The notes on pages 12 to 20 form part of these financial statements.

Clear Score Technology Limited

Statement of Changes in Equity

Year ended 31 December 2018

	Called up share capital £	Other reserves £	Profit and loss account £	Total shareholders' deficit £
At 1 January 2017	1	432,728	(13,044,767)	(12,612,038)
Loss for the financial year	—	—	(1,060)	(1,060)
Total comprehensive expense for the year	—	—	(1,060)	(1,060)
Share based payments credit	—	209,585	—	209,585
Total transactions with owners	—	209,585	—	209,585
At 31 December 2017	1	642,313	(13,045,827)	(12,403,513)
Profit for the financial year	—	—	2,776,752	2,776,752
Total comprehensive income for the year	—	—	2,776,752	2,776,752
Share based payments credit	—	375,114	—	375,114
Total transactions with owners	—	375,114	—	375,114
At 31 December 2018	<u>1</u>	<u>1,017,427</u>	<u>(10,269,075)</u>	<u>(9,251,647)</u>

The notes on pages 12 to 20 form part of these financial statements.

Clear Score Technology Limited

Statement of Cash Flows

Year ended 31 December 2018

	2018 £	2017 £
Cash flows from operating activities		
Profit/(loss) for the financial year	2,776,752	(1,060)
<i>Adjustments for:</i>		
Depreciation of tangible assets	231,776	127,189
Amortisation of intangible assets	900	900
Interest payable and similar expenses	185,230	118,432
Tax on profit or loss	(1,618,506)	-
Share based payment charge	375,114	209,585
<i>Changes in:</i>		
Trade and other debtors	924,734	(5,825,877)
Trade and other creditors	712,313	(734,332)
Cash used in operations	3,588,313	(6,105,163)
Interest paid	(185,230)	(118,432)
Tax received	688,126	-
Net cash generated from/(used in) operating activities	<u>4,091,209</u>	<u>(6,223,595)</u>
Cash flows from investing activities		
Purchase of tangible assets	<u>(410,785)</u>	<u>(282,450)</u>
Net cash used in investing activities	<u>(410,785)</u>	<u>(282,450)</u>
Cash flows from financing activities		
Movement in loans from group undertakings	<u>(8,568,237)</u>	15,113,881
Net cash (used in)/generated from financing activities	<u>(8,568,237)</u>	<u>15,113,881</u>
Net (decrease)/increase in cash and cash equivalents	(4,887,813)	8,607,836
Cash and cash equivalents at beginning of year	12,681,531	4,073,695
Cash and cash equivalents at end of year	<u>7,793,718</u>	<u>12,681,531</u>

The notes on pages 12 to 20 form part of these financial statements.

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

1. General information

The Company is a private company limited by shares, registered in England and Wales. The address of the registered office is 47 Durham Street, London, SE11 5JA, UK.

2. Statement of compliance

These Financial statements have been prepared in compliance with the provisions of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the Companies Act 2006.

3. APB ethical standard

In common with many other businesses of its size and nature the Company has used its auditors to provide non-audit services, specifically taxation advice. Fees charged by the auditors were:

	2018	2017
	£	£
Fees payable for the audit of the financial statements	35,000	30,000
Tax advisory services	–	107,800
Tax compliance services	13,000	27,500
	<u>48,000</u>	<u>165,300</u>

4. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. Accounting policies set out below have been applied consistently to all years presented.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In preparing the financial statements and reviewing the Company's net liability position of £9,251,647 (2017: £12,403,513), the directors have considered going concern. The ultimate parent undertaking and its shareholders have confirmed that they will continue to provide adequate financial support to the Company for at least 12 months following the date of the financial statements to enable liabilities to be met as they fall due.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are Share Based Payments. Please refer to accounting policy set out on page 15.

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

4. Accounting policies *(continued)*

Revenue recognition

The turnover shown in the profit and loss accounts represents the fair value of the consideration received or receivable, net of Value Added Tax, for revenue transactions.

Foreign currencies

The financial statements are presented in pound sterling. The Company's functional and presentation currency is the pound sterling.

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

The company's website domain name is included as an intangible asset in the financial statements.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Intangibles - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

4. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	33% straight line
Equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Company are assigned to those units.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in the profit or loss in the period in which it arises.

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

4. Accounting policies *(continued)*

Share Based Payments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Significant estimates and accounting judgements include the estimation of the fair value of share based payments. The group and Company has used the Black Scholes valuation model to determine the fair value of share based payments.

Any changes to volatility and assumptions made by management will impact the valuation. See note 16 for additional information.

Leasing and similar arrangements

Rentals paid under operating leases are charged to the profit and loss account as they fall due.

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

5. Turnover

Turnover arises from:

	2018	2017
	£	£
Sale of goods	<u>42,392,126</u>	<u>27,552,509</u>

The whole of the turnover is attributable to the principal activity of the Company wholly undertaken in the United Kingdom.

6. Profit/(loss) before taxation

Profit/(loss) before taxation is stated after charging/(crediting):

	2018	2017
	£	£
Amortisation of intangible assets	900	900
Depreciation of tangible assets	231,776	127,189
Foreign exchange differences	35,623	(10,177)
Operating lease charges	<u>498,435</u>	<u>389,131</u>

7. Staff costs

The average monthly number of persons employed by the Company during the year, including the directors, amounted to 135 (2017: 88).

Employment costs for all of the above employees, including directors were:

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

7. Staff costs (continued)

	2018	2017
	£	£
Wages and salaries	8,019,952	4,676,702
Social security costs	925,953	539,544
Other pension costs	225,654	59,499
Share based payments costs (Note 16)	375,114	209,585
	<u>9,546,673</u>	<u>5,485,330</u>

8. Directors' remuneration

The directors' aggregate remuneration, including charges for share based payments, in respect of qualifying services, which was the same as the highest paid director aggregate remuneration, was £325,274 (2017: £268,810). The highest paid director did not exercise any share options during the year. Directors received aggregate contributions of £6,271 (2017: £4,800) into defined contribution pension schemes.

9. Interest payable and similar expenses

	2018	2017
	£	£
Interest on banks loans	<u>185,230</u>	<u>118,432</u>

10. Tax on profit/(loss)

The tax credit on the profit/(loss) for the year was as follows:

	2018	2017
	£	£
UK Corporation Tax		
Research & development tax credit	1,618,506	-
Tax on profit or loss	<u>1,618,506</u>	<u>-</u>
	2018	2017
	£	£
Profit/(loss) before taxation	<u>1,158,246</u>	<u>(1,060)</u>
Profit/(loss) multiplied by the UK standard Corporation Tax of 19% (2017: 19.25%)	220,067	(204)
Effect of expenses not deductible for tax purposes	173,297	38,269
Timing differences for which no deferred tax is recognised	(47,521)	(108,828)
Enhanced research & development deductions for 2018	(760,000)	-
Loss surrendered for research & development tax credit	414,157	-
2016 research & development tax credit	(688,126)	-
2017 research & development tax credit	(614,313)	-
2018 research & development tax credit	(316,067)	-
Total tax credit	<u>(1,618,506)</u>	<u>-</u>

A tax asset of £930,380 is recognised within current assets in respect of the 2017 and 2018 research and development tax credits.

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

11. Intangible assets

	Total £
Cost	
At 1 January 2018 and 31 December 2018	<u>4,500</u>
Accumulated Amortisation	
At 1 January 2018	2,750
Charge for the year	<u>900</u>
At 31 December 2018	<u>3,650</u>
Carrying amount	
At 31 December 2018	<u>850</u>
At 31 December 2017	<u>1,750</u>

12. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2018	107,203	383,182	490,385
Additions	<u>8,045</u>	<u>402,740</u>	410,785
At 31 December 2018	<u>115,248</u>	<u>785,922</u>	901,170
Accumulated Depreciation			
At 1 January 2018	34,878	128,491	163,369
Charge for the year	<u>36,852</u>	<u>194,924</u>	231,776
At 31 December 2018	<u>71,730</u>	<u>323,415</u>	395,145
Carrying amount			
At 31 December 2018	<u>43,518</u>	<u>462,507</u>	506,025
At 31 December 2017	<u>72,325</u>	<u>254,691</u>	<u>327,016</u>

13. Debtors

	2018 £	2017 £
Trade debtors	2,845,357	3,528,468
Other tax and social security	432,939	-
Corporation Tax	930,380	-
Prepayments and accrued income	<u>7,100,124</u>	<u>7,774,686</u>
	11,308,800	<u>11,303,154</u>

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

14. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	2,964,030	2,516,565
Amounts owed to group undertakings	24,116,394	32,684,631
Taxation and social security	376,488	349,886
Accruals and deferred income	1,404,128	1,165,882
	<u>28,861,040</u>	<u>36,716,964</u>

Amounts owed to group undertakings attract interest at 0%, are unsecured and repayable on demand.

15. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2018	2017
	£	£
Financial assets that are debt instruments measured at amortised cost		
Cash at bank and in hand	7,793,718	12,681,531
Trade debtors	2,845,357	3,528,468
Accrued income	5,659,171	6,177,697
	<u>16,298,246</u>	<u>22,387,696</u>

15. Financial instruments (continued)

	2018	2017
	£	£
Financial liabilities measured at amortised cost		
Trade creditors	2,964,030	2,516,565
Accruals	1,404,128	1,165,882
	<u>4,368,158</u>	<u>3,682,447</u>

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

16. Share based payments arrangements

The Group operates equity-settled share based compensations schemes. The entity receives services from employees and directors as consideration for equity option instruments (share options) of the Parent. The fair value of the employee services received in exchange for the grant of options is expensed on the equity basis each reporting period, based on the Group's estimate of shares that will eventually vest and the value of the options as at the date of grant.

	Options numbers	Weighted average exercise price £
Options outstanding at 1 January 2018	2,325,006	2.569
Granted during 2018	–	–
Exercised during 2018	–	–
Lapsed during 2018	–	–
Options outstanding at 31 December 2018	2,325,006	2.569
Exercisable options at 31 December 2018	1,620,936	1.807

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions.

A Black Scholes option pricing model has been used to calculate the fair value of the options granted to date. The following assumptions were made:

	2018	2017
Weighted average share price	£2.14	£2.14
Weighted average exercise price	£2.45	£2.45
Expected volatility	35%	35%
Expected life (in years)	4	4
Risk free rate	0.50%	0.50%

The share based payment charge for the year was £375,114 (2017: £209,585).

17. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Operating leases which expire within one year	498,435	498,435
2-5 years	348,435	846,870
	<u>846,870</u>	<u>1,345,305</u>

18. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Clear Score Technology Limited

Notes to the Financial Statements

Year ended 31 December 2018

19. Related party transactions

Throughout the year the Company's ultimate controlling party was Credit Laser Holdings Limited, a company incorporated in Jersey, which is the 100% shareholder and ultimate parent company of Clear Score Technology Limited. At the year end Clear Score Technology Limited had the following balances outstanding with companies related through common control and directorship:

	Debtor £	Creditor £
Credit Laser Holdings Limited	–	24,116,394
Blenheim Chalcot LTF Limited	–	19,020
Blenheim Chalcot IT Services India Private Ltd	–	78,759
Oakbrook Finance Ltd	10,000	–
	<u>10,000</u>	<u>24,214,173</u>

These balances are unsecured, interest free and repayable on demand.

During the year the Company made the following sales and purchases to companies related through common control and directorship:

	Sales £	Purchases £
Accelerate Business Networking Ltd	–	5,000
Accelerate Digital Ltd	–	7,175
Blenheim Chalcot IT Services India Private Ltd	–	340,582
Blenheim Chalcot LTF Limited	–	30,918
Oakbrook Finance Limited	1,151,531	–
	<u>1,151,531</u>	<u>417,840</u>