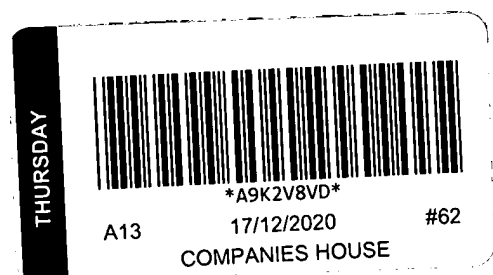


# **ThinkSmart Financial Services Limited**

## **Annual Report and Financial Statements**

**For the Year Ended 30 June 2020**

*Company Number: 05176340*



**THINKSMART FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

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# THINKSMART FINANCIAL SERVICES 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 activity of the Company is that of finance lessor, renting equipment through the consumer offering 'Upgrade Anytime'. 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. From August 2018 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 January 2021 at which point the Company will cease trading.

### Business review

The Company is legally structured to only accept leases which were ultimately funded through a 5 year Santander £10m loan facility, which was signed in December 2014 and closed in September 2019. Following the closure of the Santander facility the remaining leases are self-funded as the lease book is collected out.

The level of business and the financial position at the end of the financial year were satisfactory. The profit and loss account is set out on page 6. The profit for the year ended 30 June 2020 of £93,098 (year ended 30 June 2019 loss £14,566) has been transferred to reserves. No dividend was declared during the year ended 30 June 2020 (year ended 30 June 2019: £275,000).

### Basis of preparation

In August 2018 the directors took the decision to 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 January 2021 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. It is expected that the Company will remain profitable and cash generative during this collect out period.

### Directors

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

G Halton  
N Montarello

**THINKSMART FINANCIAL SERVICES LIMITED**

**YEAR ENDED 30 JUNE 2020**

**REPORT OF THE DIRECTORS (CONTINUED)**

**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**

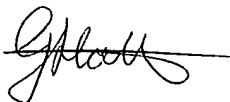
The directors who held office at the date of approval of this director's report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and the directors have taken all the steps that they ought to have taken as a director to make themselves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

**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

7<sup>th</sup> Floor Oakland House,  
Talbot Road, Old Trafford,  
Manchester, M16 0PQ

Date: 11 December 2020

## **THINKSMART FINANCIAL SERVICES 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
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As described in note 1.2, the financial statements have not been prepared on a going concern basis.

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 FINANCIAL SERVICES LIMITED**

### **Opinion**

We have audited the financial statements of ThinkSmart Financial Services 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 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 profit 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 going concern**

We draw attention to Note 1.2 to the financial statements which explains the company will cease trade in January 2021 and 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 1.2. 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 the 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 THE MEMBERS OF THINKSMART FINANCIAL SERVICES 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.

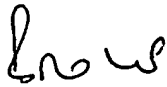
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THINKSMART FINANCIAL SERVICES LIMITED (continued)**

**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 FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

**STATEMENT OF TOTAL COMPREHENSIVE INCOME**

	Notes	30 June 2020	30 June 2019
		£	£
Turnover	2	151,943	298,287
<b>Gross profit</b>		151,943	298,287
Administrative expenses		(61,429)	(167,278)
Impairment credits	7	5,642	7,936
<b>Operating profit</b>		96,156	138,945
Interest receivable		203	296
Interest payable	3	(3,261)	(33,487)
<b>Profit before tax</b>		93,098	105,754
Tax on profit on ordinary activities	4	-	(120,320)
<b>Profit/(Loss) for the financial year</b>		<b>93,098</b>	<b>(14,566)</b>
<b>Other comprehensive income net of income tax</b>		-	-
<b>Total comprehensive income/(loss) for the financial year</b>		<b>93,098</b>	<b>(14,566)</b>

The profit for the year is derived from dis-continuing operations.

The notes on pages 10 to 15 form an integral part of these financial statements.

**THINKSMART FINANCIAL SERVICES  
LIMITED**

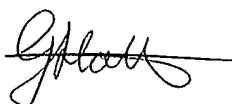
**YEAR ENDED 30 JUNE 2020**

**BALANCE SHEET**

	Notes	30 June 2020	30 June 2019
		£	£
<b>Current assets</b>			
Finance lease receivable	6	15,076	217,157
Cash at bank & in hand		147,998	558,926
Intercompany debtors	8	<u>395,748</u>	<u>-</u>
		558,822	776,083
<b>Non-current assets</b>			
Finance lease receivable	6	<u>-</u>	<u>32,030</u>
		-	32,030
<b>Creditors: amounts falling due within one year</b>			
Interest bearing liabilities	9	-	107,878
Intercompany creditors	10	441	-
Other		<u>10,076</u>	<u>47,851</u>
		10,517	155,729
<b>Creditors: amounts falling due after more than one year</b>			
Intercompany creditors	10	<u>-</u>	<u>197,177</u>
		-	197,177
<b>Net assets</b>		<u><u>548,305</u></u>	<u><u>455,207</u></u>
<b>Capital and reserves</b>			
Called up share capital	11	400,000	400,000
Profit and loss account		148,305	55,207
<b>Equity shareholders' surplus</b>		<u><u>548,305</u></u>	<u><u>455,207</u></u>

The notes on pages 10 to 15 form an integral part of these financial statements.

The financial statements on pages 7 to 15 were approved by the board of directors on 11 December 2020 and were signed on its behalf by:



Gary Halton (Director)

Company Number 05176340

**THINKSMART FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

**STATEMENT OF CHANGES IN EQUITY**

	Fully paid ordinary shares	Accumulated profit	Equity
	£	£	£
<b>Balance at 1 July 2018</b>	400,000	344,773	744,773
Loss for the year	-	(14,566)	(14,566)
Other comprehensive income net of income tax	-	-	-
<b>Total comprehensive income for the financial year</b>	-	(14,566)	(14,566)
Dividends paid	-	(275,000)	(275,000)
<b>Balance at 30 June 2019</b>	<b>400,000</b>	<b>55,207</b>	<b>455,207</b>
<b>Balance at 1 July 2019</b>	400,000	55,207	455,207
Profit for the year	-	93,098	93,098
Other comprehensive income net of income tax	-	-	-
<b>Total comprehensive loss for the financial year</b>	400,000	93,098	93,098
Dividends paid	-	-	-
<b>Balance at 30 June 2020</b>	<b>400,000</b>	<b>148,305</b>	<b>548,305</b>

The notes on pages 10 to 15 form an integral part of these financial statements.

# THINKSMART FINANCIAL SERVICES LIMITED

YEAR ENDED 30 JUNE 2020

## NOTES TO FINANCIAL STATEMENTS

### 1. Accounting policies

ThinkSmart Financial Services Limited (the "Company") is a private company limited by shares incorporated and domiciled in England and Wales. The Company's registered office is 7<sup>th</sup> 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 Ltd 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 Ltd are prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporation Act 2001. The consolidated financial statements comply with International Financial Reporting Standard (IFRS) adopted by the International Accounting Standards Board (IASB) as well as International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"). The consolidated financial statements of ThinkSmart Ltd 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;
- 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.

**THINKSMART FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**1.1 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 and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

**1.2 Basis of preparation**

In August 2018 the directors took the decision to no longer purchase any new lease agreements but to continue to collect out the lease agreements that it purchased prior that point. It is expected that this activity will continue until January 2021 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. It is expected that the Company will remain profitable and cash generative during this collect out period.

**1.3 Taxation**

The charge for taxation is based on the profit for the year.

**1.4 Finance lease receivables**

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 an estimate of the value of any unguaranteed 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.

**THINKSMART FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

**NOTES TO FINANCIAL STATEMENTS (continued)**

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.

**2. Turnover**

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

**Finance lease income**

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.

**Residual interest in equipment**

**Secondary rental income**

Rental income from extended rental assets is recognised when receivable usually on a monthly basis. No ongoing rental income is brought to account in respect of the unexpired rental contracts.

	<b>30 June 2020</b>	<b>30 June 2019</b>
	£	£
Finance lease income	79,481	130,703
Secondary rental income	72,462	167,584
	151,943	298,287

**3. Interest payable**

	<b>30 June 2020</b>	<b>30 June 2019</b>
	£	£
Bank interest	876	16,742
Related party interest (see note 10)	2,385	16,745
	3,261	33,487

**THINKSMART FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

**NOTES TO FINANCIAL STATEMENTS (continued)**

**4. Tax on profit on ordinary activities**

	30 June 2020	30 June 2019
	£	£
Current tax on income for the year	-	105,754
Adjustments in respect for prior year	-	14,566
Total tax on profit on ordinary activities	<u>-</u>	<u>120,320</u>

**Reconciliation of effective tax rate**

Accounting profit before tax	93,098	105,754
Tax using the UK corporation tax rate*	(17,689)	(20,093)
Group tax relief received for nil consideration	17,689	(85,661)
Adjustments in respect for prior year	-	(14,566)
Current tax charge on profit for year	<u>-</u>	<u>(120,320)</u>

\*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.

**5. Auditors remuneration**

The auditor's remuneration is borne by RentSmart Limited.

**6. Finance lease receivable**

<b>Current (no later than 1 year)</b>	<b>30 June 2020</b>	<b>30 June 2019</b>
	£	£
Gross investment in finance lease receivables	4,756	201,224
Unguaranteed residuals	18,216	12,807
Unearned future finance lease income on finance leases	(332)	17,504
Net lease receivable	<u>22,640</u>	<u>231,535</u>
Allowance for losses	<u>(7,564)</u>	<u>(14,378)</u>
	<u>15,076</u>	<u>217,157</u>
<b>Non-current (later than 1 year, no later than 5 years)</b>	<b>30 June 2020</b>	<b>30 June 2019</b>
	£	£
Gross investment in finance lease receivables	-	29,680
Unguaranteed residuals	-	1,889
Unearned future finance lease income on finance leases	-	2,582
Net lease receivable	<u>-</u>	<u>34,151</u>
Allowance for losses	<u>-</u>	<u>(2,121)</u>
	<u>-</u>	<u>32,030</u>

All finance leases detailed above have a minimum lease term of 2 years, see note 1.4 for further information on the accounting policy for these finance leases.

**THINKSMART FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

**NOTES TO FINANCIAL STATEMENTS (continued)**

**7. Impairment losses**

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>£</b>	<b>£</b>
Balance at 1 July	16,449	43,215
Impairment charge/(credit) to profit or loss	(5,642)	(7,936)
Bad debts written off	(3,243)	(18,830)
Balance at 30 June	<u>7,564</u>	<u>16,449</u>

**8. Intercompany debtors**

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>£</b>	<b>£</b>
RentSmart Limited	<u>395,748</u>	<u>-</u>
	<u>395,748</u>	<u>-</u>

The unsecured intercompany loan has no fixed repayment date and is due on demand. 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. Interest bearing liabilities**

	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>£</b>	<b>£</b>
Current - Loan advances	-	150,084
Deferred costs of raising facility	-	(42,206)
	<u>-</u>	<u>107,878</u>
Non-current - Loan advances	-	-
Deferred costs of raising facility	-	-
	<u>-</u>	<u>-</u>

A £10m 5 year revolving credit facility was signed with Santander on 15 December 2014 to fund the lease receivables (note 6). On 27 September 2018 the original agreement was amended and restated to reflect that no new Upgrade Anytime contracts are to be funded through this facility. The new terms state that the funded amount will not be increased and that the remaining balance of the loan, if any, will be repaid on 30 September 2019. In accordance with the amended agreement the remaining loan balance was repaid on 30 September 2019.



**THINKSMART FINANCIAL SERVICES  
LIMITED**

**YEAR ENDED 30 JUNE 2020**

**NOTES TO FINANCIAL STATEMENTS (continued)**

**10. Intercompany creditors**

	30 June 2020	30 June 2019
	£	£
ThinkSmart Europe Limited	441	14,566
RentSmart Limited	-	182,611
	<u>441</u>	<u>197,177</u>

The unsecured intercompany loans have no fixed repayment date and are due on demand. 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 loan each month.

**11. Called up share capital**

	30 June 2020	30 June 2019
	£	£
<i>Allotted, called up and fully paid</i>		
400,000 (2019: 400,000) ordinary authorised shares of £1 (2019: £1) each	400,000	400,000
Shares classified in shareholders' funds	400,000	400,000

**12. Related parties**

ThinkSmart Financial Services Limited 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.

**13. Ultimate parent undertaking**

100% of the share capital of ThinkSmart Financial Services 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 Financial Services Limited are included. Copies of these group accounts are available from Suite 5, 531 Hay Street, SUBIACO, WA 6008, Australia.

**14. Events occurring after balance sheet date**

There has not arisen, in the interval between the end of the financial year and the date of this report, any subsequent events.